

# TEXAS BEEF CHECKOFF FACT SHEET

## Texas Beef Checkoff

As allowed under the Texas Agriculture Code, cattle industry organizations have requested permission from the Texas Department of Agriculture to create a producer funded and managed, state-level beef checkoff program financed through a refundable assessment at each point of cattle ownership transfer in Texas.

## Management

The Texas Beef Checkoff program will be managed by a council appointed by the Texas Commissioner of Agriculture from producer nominees submitted by the Texas Beef Council. The managing council will be the Beef Promotion and Research Council of Texas.

## Assessment Use

The assessment will be used for promotion, marketing, research and educational efforts regarding beef and beef products in Texas, the U.S. and/or internationally. Decisions on how the funds will be used will be made by the Beef Promotion and Research Council of Texas.

## Assessment Amount

A refundable maximum assessment of \$1 per head of cattle will be collected at each point of ownership transfer in Texas.

## Assessment Exemption

Non-producers are exempt from paying the assessment. A person is a non-producer if: (A) the person's only share in the proceeds of a sale of cattle or beef is a sales commission, handling fee, or other service fee; or (B) the person: (i) acquired ownership of cattle to facilitate the transfer of ownership of such cattle from the seller to a third party; (ii) resold such cattle no later than ten days from the date on which the person acquired ownership; and (iii) certified, as required by procedures prescribed by the Beef Promotion and Research Council of Texas that the requirements of this provision have been satisfied.

## Assessment Commencement

If producers pass this referendum, the collection of the assessment will begin October 1, 2014.

## Checkoff Referendum

In accordance with provisions of Texas Agriculture Code and Texas Department of Agriculture (TDA) rules, TDA will conduct a referendum to allow cattle producers the opportunity to vote on establishing the Texas Beef Checkoff program.

## Voting Period

The referendum voting will begin on Monday, June 2, 2014, and continue through Friday, June 6, 2014.

## Voting Locations

Eligible producers may vote at any Texas A&M AgriLife Extension Service county office during each office's normal business hours. If an eligible producer is unable to access a county office during the voting period, a mail-in ballot may be requested from the Texas Department of Agriculture between May 19 and June 2, 2014, by calling 512-463-3285.

## Voter Eligibility

Any producer, regardless of age, who has owned cattle in Texas any time between June 6, 2013, and June 6, 2014, is eligible to vote in the referendum. For purposes of this referendum, a producer may be either an individual or a legal business entity. Youth younger than 16 years of age must have a parent or guardian co-sign the ballot. A non-producer (i.e. dealer, order buyer, etc.) is not eligible to vote in the referendum.

## Voting Deadline

Votes must be cast or completed mail-in ballots postmarked by no later than end of business Friday, June 6, 2014.

## More Information

For more information about the Texas Beef Checkoff and the referendum contact Lance Williams, Texas Department of Agriculture, P.O. Box 12847, Austin, Texas, 78711 or call 512-463-3285 or visit [TexasAgriculture.gov](http://TexasAgriculture.gov).

# TEXAS BEEF CHECKOFF

## FREQUENTLY ASKED QUESTIONS

### **Q: What is the Texas Beef Checkoff?**

A: The Texas Beef Checkoff is a producer funded and managed, state-level promotion, marketing, research and education program for beef and beef products.

### **Q: How will the Texas Beef Checkoff program be funded?**

A: The Texas Beef Checkoff program will be funded through a refundable assessment on cattle at each point of ownership transfer in Texas. If approved, the maximum assessment will not exceed \$1 per head of cattle.

### **Q: Is the Texas Beef Checkoff program different than the current U.S. Beef Checkoff program?**

A: Yes, the Texas Beef Checkoff program is different and separate from the current U.S. Beef Checkoff. The Texas Beef Checkoff program may complement and extend the U.S. Beef Checkoff efforts.

Unlike the U.S. program, which requires that fifty cents of every dollar collected be sent to the Cattlemen's Beef Promotion and Research Board for programs, the entire Texas Beef Checkoff assessment would be managed by Texas cattlemen and women. Another difference is the Texas Beef Checkoff assessment is refundable.

### **Q: Who will manage the money collected through the Texas Beef Checkoff program?**

A: The Beef Promotion and Research Council of Texas serves as the management entity of the state-level checkoff program. This council is appointed by the Texas Commissioner of Agriculture from producers nominated by the Texas Beef Council with input from the Texas cattle organizations. It is intended that the same people who serve on the Texas Beef Council will be nominated and appointed to serve on the Beef Promotion and Research Council of Texas.

### **Q: What will the money be used for?**

A: The use of funds is limited by the parameters established in state law, which are beef promotion, marketing, research and consumer education for beef and beef products. The money can be used in Texas, the U.S. and/or internationally. The law does not allow checkoff funds to be used for lobbying activities to influence public policy or government affairs.

### **Q: What is meant by the assessment being “a maximum of \$1”?**

A: According to the state law governing commodity checkoff programs, producers set the maximum allowable rate for the assessment through the referendum vote. The actual assessment rate is set, not to exceed the maximum, by the Beef Promotion and Research Council of Texas. If circumstances ever warranted an assessment less than the maximum, the Council has the authority to set that rate without another referendum. It is anticipated that the initial assessment will be \$1.

### **Q: Who will decide if the Texas Beef Checkoff program is started?**

A: Eligible producers who owned cattle in Texas any time between June 6, 2013, and June 6, 2014, will vote in a referendum to determine if a state-level checkoff program is started.

### **Q: When and where will the referendum occur?**

A: Eligible producers may vote in a referendum by ballot at any Texas A&M AgriLife Extension Service county office beginning June 2 through June 6, 2014, during regular business hours at that office. Visit [TexasAgriculture.gov](http://TexasAgriculture.gov) for a listing of county office locations and business hours.

### **Q: Who is eligible to vote?**

A: Any producer, regardless of age, who has owned cattle in Texas any time between June 6, 2013, and June 6, 2014, is eligible to vote in the referendum. For purposes of this referendum, a producer may be either an individual or a legal business entity. Youth younger than 16 years of age must have a parent or guardian co-sign the ballot. A non-producer (i.e. dealer, order buyer, etc.) is not eligible to vote in the referendum.

### **Q: If I can't travel to a Texas A&M AgriLife Extension Service county office, can I still vote?**

A: Yes. Eligible producers unable to access a Texas A&M AgriLife Extension Service county office during the voting period may request a ballot by mail from the Texas Department of Agriculture. Mail-in ballots must be requested between May 19 and June 2, 2014 by calling 512-463-3285. Completed mail-in ballots must be returned directly to the Texas Department of Agriculture, postmarked no later than June 6, 2014, to be valid.

**Q: If I vote in person, should I go to the Texas A&M AgriLife Extension Service county office where my cattle are located or where I live?**

A: Eligible producers may vote at any Texas A&M AgriLife Extension Service county office, regardless of where your cattle are located or where you live.

**Q: I don't live in Texas, but own cattle in Texas, can I vote?**

A: Yes. Producers who owned cattle in Texas any time between June 6, 2013, and June 6, 2014, are eligible to vote. Out-of-state voters can vote at any Texas A&M AgriLife Extension Service county office or by requesting a ballot by mail from the Texas Department of Agriculture. Mail-in ballots must be requested between May 19 and June 2, 2014 by calling 512-463-3285. Completed mail-in ballots must be returned directly to the Texas Department of Agriculture, postmarked no later than June 6, 2014.

**Q: Can I request a refund?**

A: Yes. A producer who has paid an assessment to the Texas Beef Checkoff may obtain a refund of the amount paid by filing an application for refund with the Beef Promotion and Research Council of Texas within 60 days after the date of payment. The application must be in writing, on a form prescribed by the Council for that purpose, and accompanied by proof of payment of the assessment.

**Q: Who is exempt from paying the assessment?**

A person who owns cattle for less than 10 days or who serves as a dealer or order buyer in the sales transaction may qualify as a "non-producer" and would not be subject to this assessment.

**Q: Is this a government program?**

A: No. Texas law governs the creation of state-level commodity checkoff programs. However, once the program is approved through passage of a producer referendum, then the program is funded and managed by cattlemen and women. The Texas Department of Agriculture maintains oversight responsibility to ensure the integrity of the program.

**Q: Will the state government have control over the money collected?**

A: No. According to Texas law, these funds are held outside of the state treasury. This means the Texas Legislature, the Texas Department of Agriculture and any other state governing entity has no jurisdiction over the funds collected through a state-level commodity checkoff program.

**Q: If the Texas Beef Checkoff program is approved, when will collections begin?**

A: If approved, collection of the assessment will begin October 1, 2014, and continue until the Beef Promotion and Research Council of Texas notifies cattle collection points to cease collection.

**Q: Who will collect and remit the assessment?**

A: Each collection point is responsible to collect and remit the assessment. A collection point is any entity that makes payment to a producer for cattle purchased or facilitates transfer of ownership. The assessment is remitted to the Beef Promotion and Research Council of Texas or its designated agent. This collection process is identical to the existing U.S. Beef Checkoff program.

**Q: Where can I get more information about the Texas Beef Checkoff?**

A: For more information about the Texas Beef Checkoff and the referendum contact Lance Williams, Texas Department of Agriculture, P.O. Box 12847, Austin, Texas, 78711 or call 512-463-3285 or visit [TexasAgriculture.gov](http://TexasAgriculture.gov).

# TEXAS BEEF CHECKOFF VOTER ELIGIBILITY

Texas law specifies that producers may vote in a referendum to establish a state-level beef checkoff program. To be eligible to vote, producers must have owned cattle in Texas any time between June 6, 2013, and June, 6, 2014.

For purposes of this referendum, a producer may be either: 1) an individual; or 2) a legal business entity. Each individual or legal business entity gets one vote. There is no age requirement to vote; however, eligible producers younger than 16 years of age will be required to have a parent or guardian co-sign their ballot. Proof of cattle ownership, i.e. bill of sale, business records, etc., may be required by the Texas Department of Agriculture when validating the voting results.

A legal business entity is any form of business structure under the U.S. Internal Revenue Service Code that is registered with the Texas Secretary of State's office. The most common legal business structures include: Incorporated (Inc.), Limited Liability Corporation (LLC), Limited Liability Partnership (LLP) and Limited Partnership (LP). A single representative from a legal business entity may cast only one vote regardless of how many owners and/or partners are included in the business.

Someone who owns cattle and is not involved in any legal business entities is considered an individual for purposes

of this referendum. Each individual may cast one vote.

For example, a husband and a wife, joint-owners in a non-incorporated ranching enterprise, are entitled to cast one vote each. An assumed name certificate, commonly known as "Doing Business As" or DBA, filed with a county clerk's office is not considered to be a legal business entity, unless the DBA is attached to a legal business structure. Eligible youth (4-H, FFA, etc.) may each cast one vote.

In some circumstances a voter may be eligible to cast multiple votes. Producers who own their own cattle as an individual and also own cattle as an owner or partner in one, or more, legal business entities will be able to cast multiple votes. They can vote once as an individual and they may vote for each of the legal business entities they represent. For this person to cast the legal business entity vote(s), he/she will need to be the designated representative from the legal business entity. Again, a legal business entity may only vote once. When a person qualifies to cast more than one vote, each vote must be cast on a separate ballot. Casting multiple votes on a single ballot will invalidate that ballot. Use the following worksheet to help to determine multiple votes.

## VOTE DETERMINATION WORKSHEET

Use this worksheet to determine how many votes your ranch and/or business has for the Texas Beef Checkoff referendum. Youth younger than 16 years of age must have a parent or guardian co-sign the ballot. Multiple votes must be cast using separate ballots.

<b>PRODUCER TYPE</b>	<b>No. of Votes</b>	<b>Total Votes</b>
<b>1). Individual</b> You _____ Spouse _____ Children _____	_____ _____ _____	
<b>2). Legal Business Entity</b> Business Name _____ <i>(Only one representative may be designated per business entity to vote.)</i> _____ _____ _____	_____ _____ _____	
<b>TOTAL INDIVIDUAL AND BUSINESS ENTITY VOTES:</b> <i>(Each vote must be cast on a separate ballot.)</i>		_____