

Date Issued: June 16, 1981 (AGO 81-62)

Requested by: Larry Kleingartner,
Administrator for the North Dakota Sunflower Council

- QUESTION PRESENTED -

Whether a state agricultural promotion agency which is funded by its member growers can contract and cooperate with any entity to pursue a common objective such as research, production and market development.

- ATTORNEY GENERAL'S OPINION -

It is my opinion that a state agricultural promotion agency which is funded by its member growers may contract a portion of its budget with any entity to pursue a common objective such as research, production and market development.

- ANALYSIS -

The Potato Council, the Sunflower Council, and Edible Bean Council are three such agricultural promotion agencies. See chapters 4-10.1, 4-10.2, and 4-10.3 of the North Dakota Century Code.

Each of these three councils have been given the authority under their respective chapters to contract and cooperate with any person or with any governmental department or agency for research, education, publicity, promotion and transportation for the purposes of each respective chapter. The legislative intent and purpose behind these three promotional agencies is the promotion of production and market development of potatoes, sunflowers and edible beans which are grown in the State of North Dakota.

Each chapter provides for an assessment which is levied and imposed upon all potatoes, sunflowers or edible beans which are grown in the State of North Dakota and provides that this tax be used exclusively to carry out the intent and purpose of each respective chapter. The moneys received through this assessment are used by each promotional agency for its operations.

In light of clear legislative intent a promotional agency may contract a part or all of its budget with another entity if the contract provides services to the promotional agency which would carry out the purposes of the agency. Product research, promotion of production and market development would be such services that the promotional agency may obtain by contract.

- EFFECT -

This opinion is issued pursuant to section 54-12-01, N.D.C.C. It governs the actions of public officials until such time as the question presented is decided by the courts.

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