

Delaware Soybean Development Order
Under the Direction of The Delaware Soybean Board

Updated: January 2015

The purpose of the Delaware Soybean Development Order is to provide the Delaware soybean producers with the opportunity to join other producers across the country who are using checkoff programs to promote a profitable soybean industry. Monies collected through this checkoff program will be used for education, research, producer communications, production, and marker development and expansion programs related to soybean production and usage.

The Delaware Soybean Board supports the mission statement and strategic direction of the United Soybean Board.

Mission Statement

The mission of the United Soybean Board is to create an environment within which U.S. soybean producers can maximize profits.

Strategic Direction

Increase utilization of U.S. soybeans.

Improve U.S. soybean production efficiencies.

I. Development Order Area and Affected Producers

The area affected by the Development Order shall be the State of Delaware and the Order shall apply to all persons who produce, distribute, process, or sell soybeans, pursuant to Chapter 7, Title 3 of the Delaware code.

II. Development Order Definitions

For the purpose of this Development Order:

- a. "Soybean" means varieties of Glycine Max commonly known as soybeans.
- b. "Commercial Channels" means the processes of the sale of soybeans to any commercial buyer, dealer, processor, cooperative, or to any person, public, or private, who resells such commodity or any product produced from such commodity for storage, processing, or distribution.
- c. "Person" means any individual, corporation, association, cooperative, partnership, or organized group of persons whether incorporated or not.
- d. "Delaware Soybean Board" means the Board created under the provisions of this Development Order with the organization of the producers as herein provided.
- e. "First Purchaser" means any person that buys soybeans for movement into commercial channels from the producer; or any lienholder, secured party, or pledge, who gains title to legal rights by the lienholder, secured party, pledge, or assignee thereof, regardless of when the lien, security interest, or pledge was created.
- f. "Secretary" means the Secretary of Agriculture of the State of Delaware.
- g. "Producer" means any person who owns or operates a producing or growing facility for soybeans and shares in the profits and risks of loss from such facility, and who produces soybeans in Delaware during the current marketing year.

- h. "Qualified Voter" means any person who would be subject to the payment of fees imposed to finance the activities described in this Development Order.
- i. "Development Order" means an order issued by the Secretary with the advise and consent of the Delaware Soybean Board pursuant to the provisions in Chapter 7, Title 3 of the Delaware Code.
- j. "Sale" means any passing of commodity title from the producer to the first purchaser. Sale includes any pledge, security, interest, or lien

III. Rate of Assessment; Payment of Assessment; Form of Report; Record of Soybeans Handled; Refund to Grower

A. Rate of Assessment

- a. There is hereby imposed upon any sale of soybeans produced with the State an assessment of 00.5% of the market value. There is hereby imposed upon soybeans produced within the State and used on the producer's own farm, except as seed on the producer's own farm, an assessment at the rate of 00.5% of the market value of soybeans.
 - a. The 00.5% assessment shall be deducted from payments to the growers by the first purchaser at the time of payment.
 - b. The assessment is to be collected on the net sale price. "Net" is after moisture and quality discounts of premiums, but before any deductions for storage, handling, trucking, or other services.

B. Payment of Assessment

- 1. All first purchasers shall submit to the Delaware Soybean Board, P.O. Box 319, Salisbury, MD 21803; any fees so deducted each quarter. Remittance forms shall be provided by the Delaware Soybean Board to all first purchasers. All remittance forms shall be due within 30 days of the end of the quarter.
- 2. First purchasers must show producers they have deducted the assessment on the sales receipt. The sales receipt must include: date; name and address of the first purchaser; name of the producer; number of bushels sold; net market price per bushel sold; total assessment paid by the producer and state in which soybeans were grown.
- 3. First purchasers will be required to collect on all soybeans purchased, regardless of the State-of-origin. First purchasers will be required to collect on out-of-state soybeans just as they would do in-state soybeans. Such soybeans are to be listed by State-of-origin on the remittance reports. The checkoff assessment is to be remitted by the Delaware Soybean Board to the soybean board in the state from which the soybeans originated.
- 4. If a grower sells directly to an out-of-state receiver and the out-of-state receiver does not deduct and submit the assessment for him, or the grower utilizes his own soybeans on the farm except as seed, it shall be the grower's responsibility to submit the assessment on such soybeans to the Delaware Soybean Board.
- 5. Nothing in this program shall require the payment of such assessment more than once on any soybeans sold, or used.
- 6. First purchasers who do not collect the assessments or producers who do not pay will be in violation and subject to a civil penalty of not more than \$1,000 for each

violation and an additional penalty for willful failure to pay equal to the amount of such assessment. A late payment charge of 2% will be added each month to assessments not remitted on time.

The late payment charge cannot be waived by the Delaware Soybean Board.

C. Form of Report

Reports shall be made on forms furnished by the Delaware Soybean Board and shall contain such information as the Delaware Soybean Board shall require for the administration of the program.

D. Record Of Soybeans Handled

Every first purchaser of soybeans shall keep records of all soybeans handled by him. These records shall be open for inspection by authorized representatives of the Delaware Soybean Board during normal business hours.

E. Refund To Grower

1. As a result of a national poll of soybean producers in July 1995, producers will not be entitled to refunds sold on or after Oct. 1, 1995.
2. Therefore, under United Soybean Board current policy, no refunds are available to growers.

IV. Delaware Soybean Board

A. Board Members, Officers, Terms of Office

1. The Delaware Soybean Board will consist of nine producer members elected by directors of the Delaware Soybean Board.
2. The nine producer members of the Delaware Soybean Board shall provide the following representation:
 - from New Castle County - Two Board Members
 - from Kent County - Three Board Members
 - from Sussex County - Four Board Members

B. Organization And Terms of Office

1. Terms. At the first meeting of the new fiscal year the Secretary shall determine by lot, one-third of the Board members whose terms shall expire June 30 in the calendar year following the year of the first election, one-third of the Board members whose terms shall expire June 30 in the second calendar year, and the remaining Board members whose term shall expire June 30 in the third calendar year. Henceforth, all terms shall expire on September 30 of the third year. In the event the Secretary has designated specific areas for representation on the Delaware Soybean Board, the terms of Board members in any one area shall not expire in the same year. All elected successor Board members shall be elected for three year terms and each shall serve until his successor is elected and qualified. No Board members shall succeed himself after serving three full terms. In the event a Board member ceases to have any of the qualifications herein established, his office shall be deemed vacant. Any interim vacancy on the Board shall be filled by appointment of the Board for the remainder of the term vacated.
2. Organization. The Secretary of Agriculture shall serve as Secretary of the Delaware Soybean Board without vote. The Board shall elect, from its own membership, a chairman, and a vice-chairman who shall act in the absence of the chairman, and

such other officers as the Board may deem appropriate. The terms of such officers shall expire on September 30 of each year and their successors shall be elected at the first meeting following that date.

C. Meetings And Quorum

1. Members of the Delaware Soybean Board shall meet on a regular basis or upon call of the chairman or of any 3 members of the Board and shall be notified of such meetings at least 10 days ahead of the scheduled meetings by mail or 48 hours by telephone.
2. A majority of the voting members of the Board shall constitute a quorum for the transaction of business.
3. A quorum shall be required to pass any motion of approve any Delaware Soybean Board action. At assembled meetings, all votes shall be cast in person. A simple majority shall carry all motions.

D. Duties And Functions Of The Delaware Soybean Board

1. Adoption of Regulations and Budget. The Delaware Soybean Board shall:
 - a. Adopt and administer rules and regulations for the administration of the Development Order.
 - b. Recommend amendments to the Order, such amendments to be adopted only after a referendum in which a majority of the producers voting favor such adoption.
 - c. Prepare an annual estimated budget for the operation of the Development Order; and
 - d. Prepare an annual report on the programs of the Order, said report to be made available to the producers concerned.
2. The Delaware Soybean Board shall provide a procedure for collection of the producers assessments to finance the Development Order and for the proper administration of the Order.
3. Donation. The Delaware Soybean Board is authorized to accept donations of funds, property, service, or other assistance from the public or private sources for the purpose of furthering the objectives of this Development Order.
4. Right to sue or be sued. The Delaware Soybean Board shall have the right to investigate and prosecute, in the name of the State of Delaware, any action or suit to enforce the collection or insure payment of assessments authorized by the provisions of the section of this Development Order, and to sue and to be sued in the name of the Board; to do all other things necessary for the administration and implementation of the Development Order.
5. Collection and expenditures of funds: audit. The Delaware Soybean Board shall be responsible for the collection and expenditure of all funds provided for under the sections of this Development Order and shall provide for an annual audit of funds to be made by a certified auditing firm. An annual financial statement shall be available to any participant upon request.

E. Compensation And Expenses

Members of the Delaware Soybean Board will not receive per diem for services rendered.

F. Powers And Duties Of The Secretary Of Agriculture

1. **Contracts.** The Secretary with the advice and consent of the Delaware Soybean Board, will contract and cooperate with the University of Delaware's College of Agricultural Sciences, and other qualified agencies, persons, or organizations to meet the purposes of this Development Order.
2. **Personnel.** The Secretary, with the advice and consent of the Delaware Soybean Board, may appoint, employ, provide necessary bond, discharge, fix compensation for and prescribe the duties of such administrative, clerical, technical, and other personnel and agencies as deemed necessary.
3. **General Powers.** In administering the sections of this Development Order, the Secretary shall have such powers as may be conferred upon him by law not inconsistent with the provisions of Chapter 7, Title 3 of the Delaware Code.
4. **Regulations.** In the organization and operation of a Soybean Development Order, the Secretary shall follow the rules and regulations as developed by the Delaware Soybean Board pursuant to the provisions of Chapter 7, Title 3 of the Delaware Code.

V. Fiscal Year; Deposit Of Monies; Purpose Of Use

A. Fiscal Year

The fiscal year for the Delaware Soybean Board shall be Oct. 1 – Sept. 30.

B. Deposit Of Monies And Purpose Of Use

1. All monies received from the assessment imposed by this Order, including gifts or donations, shall be forthwith deposited as received in a bank or banks or other depository as approved by the federal Soybean Promotion, Research and Consumer Information Program Act & Order, for the Delaware Soybean Board.
2. Monies shall be disbursed by such officers and employees as may be approved by the Delaware Soybean Board for the necessary expenses incurred in the administration of this Development Order.
3. Monies collected shall be used exclusively for the purpose collected and not for legislative or political activities.
4. Monies credited to the Delaware Soybean Board account shall be used by the Delaware Soybean Board for the following purposes only:
 - a. Cost of administration and collection of assessment
 - b. Programs of education, research, producer communication, product development, marker development, and marker expansion for the benefit of the soybean industry.
 - c. To provide annually a complete financial report.
 - d. Compensation of attorney if deemed necessary.

VI. Violations And Enforcement

1. Any person who shall falsely or fraudulently make any report required by this program, or who shall evade or violate any provisions of this program, or who willingly interferes with any authorized person in this performance of such persons' duties under this Development Order, or fails to pay the assessment provided under this program, shall be liable and the Delaware Soybean Board may institute juridical proceedings to enforce the assessment.
2. Any person who violates any provisions of Chapter 7, Title 3 of the Delaware Code or rule or regulation of the Delaware Soybean Board promulgated pursuant to the sections of said Chapter is guilty of a misdemeanor. Justices of the Peace shall have jurisdiction over all offenses under said Chapter.