

STATE OF OKLAHOMA

2nd Session of the 46th Legislature (1998)

HOUSE BILL NO. 2987

By: Ferguson

AS INTRODUCED

An Act relating to corporate farming or ranching;  
creating short title; amending 18 O.S. 1991,  
Sections 952 and 954, as amended by Section 2,  
Chapter 61, O.S.L. 1994 (18 O.S. Supp. 1997,  
Section 954), which relate to the Oklahoma Farming  
or Ranching Business Corporations Act; prohibiting  
the issuance of new corporate licenses for certain  
corporate poultry confinement and/or corporate  
swine production operations in this state;  
prohibiting expansion of existing corporations in  
such operations; providing for construction of  
section; modifying exceptions; defining terms;  
providing for county resolution and county  
proposition to allow or prohibit corporate poultry  
confinement and/or corporate swine production;  
providing procedures; requiring publication;  
providing for question on ballot; providing for  
election and publication of results; providing for  
codification; and declaring an emergency.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 950 of Title 18, unless there is created a duplication in numbering, reads as follows:

The provisions of Chapter 21 of Title 18 of the Oklahoma Statutes shall be known and may be cited as the "Oklahoma Farming or Ranching Business Corporations Act".

SECTION 2. AMENDATORY 18 O.S. 1991, Section 952, is amended to read as follows:

Section 952. A. 1. Any license issued after June 1, 1971, under the Oklahoma Business Corporation Act to a foreign corporation for the purpose of engaging in farming or ranching or for the purpose of owning or leasing any interest in land to be used in the business of farming or ranching shall be revoked within five (5) years of the effective date of this act.

~~B.~~ 2. The corporate franchise of any existing domestic corporation formed under the Oklahoma Business Corporation Act after June 1, 1971, for the purpose of engaging in farming or ranching or for the purpose of owning or leasing any interest in land to be used in the business of farming or ranching shall be vacated within five (5) years of the effective date of this act unless its articles of incorporation comply with Section 951 of this title.

3. This subsection shall not require any foreign or domestic corporation to dispose of any property acquired on or before June 1, 1971.

B. 1. On and after July 1, 1998, no license shall be issued pursuant to the Oklahoma Farming or Ranching Business Corporations Act to a domestic or foreign corporation for the purpose of engaging in the business of corporate poultry confinement and/or corporate swine production or for the purpose of owning or leasing any interest in land to be used in the business of corporate poultry confinement and/or corporate swine production unless a county has voted favorably pursuant to Section 4 of this act either by county

resolution or by the electorate to allow corporate poultry confinement and/or corporate swine production to operate within the county.

2. On and after July 1, 1998, no domestic or foreign corporation operating or engaging in the business of corporate poultry confinement and/or corporate swine production on July 1, 1998, shall be authorized to purchase or lease any additional interest in land to be used in the business of corporate poultry confinement and/or corporate swine production.

3. Production contracts entered into by a corporation and a person engaged in farming for the production of agricultural products shall not be construed to mean the ownership, acquisition, obtainment or lease, either directly or indirectly, of any agricultural land in this state.

4. The provisions of this subsection shall not require any foreign or domestic corporation to dispose of any interest in land acquired on or before July 1, 1998.

C. The corporate franchise of any domestic corporation governed by the Oklahoma General Corporation Act formed for the purpose of farming or ranching or for the purpose of owning or leasing any interest in land to be used in the business of farming or ranching and permitted to engage in such activity under this act shall be vacated promptly in the manner prescribed by Section ~~104~~ 1104 of this ~~act~~ title, if the corporation has persistently violated the provisions of subsection A of Section 951 of this title.

D. The State Board of Agriculture shall initiate and prosecute civil or criminal actions and proceedings when deemed necessary to enforce or carry out any of the provisions of this code.

~~E. This act shall not require any foreign or domestic corporation to dispose of any property acquired on or before June 1, 1971.~~

~~F.~~ Any farming or ranching corporation which violates the provisions of Section 951 of this title shall be fined an amount not to exceed Five Hundred Dollars (\$500.00). Any other person, corporation or entity who knowingly violates such section shall be deemed guilty of a misdemeanor.

SECTION 3. AMENDATORY 18 O.S. 1991, Section 954, as amended by Section 2, Chapter 61, O.S.L. 1994 (18 O.S. Supp. 1997, Section 954), is amended to read as follows:

Section 954. A. The provisions of ~~this act, Section 951 et seq. of this title,~~ the Oklahoma Farming or Ranching Business Corporations Act shall not apply ~~where~~ if a corporation, either domestic or foreign:

1. Engages in research and/or feeding arrangements or operations concerned with the feeding of livestock or poultry, but only to the extent of such research and/or feeding arrangements or such livestock or poultry operations; ~~or~~

2. Engages in operations concerned with the production and raising of livestock or poultry for sale or use as breeding stock and including only directly related operations, such as breeding or feeding livestock or poultry which are not selected or sold as breeding stock; ~~or~~

3. Engages in corporate poultry ~~and/or~~ confinement and/or corporate swine ~~operations, including only directly related operations, such as operating hatcheries, facilities for the production of breeding stock, feed mills, processing facilities, and providing supervisory, technical and other assistance to any other persons performing such services on behalf of the corporation~~ production in any county which has voted favorably pursuant to Section 4 of this act either by county resolution or by the electorate; ~~or~~

4. Engages in forestry as defined by Section 1-4 of Title 2 of the Oklahoma Statutes; ~~or~~

5. ~~Whose~~ Has a corporate purpose which is charitable or eleemosynary; or

6. Presently engages in fluid milk processing within the State of Oklahoma or leases to a fluid milk processor so engaged; provided, this exception is limited to such dairy operations as are necessary to meet such processor's needs.

B. For the purposes of the Oklahoma Farming or Ranching Business Corporations Act:

1. "Corporate poultry confinement" means the land, structures, facilities and related equipment used for housing, breeding, laying of eggs, hatching of poultry, feeding or processing of poultry in a restricted environment by a corporation or the providing of supervisory, technical and other assistance to any persons performing such services on behalf of the corporation. The term includes within its meaning only such agricultural land as is necessary for proper disposal of liquid and solid wastes in environmentally sound amounts for crop production or other authorized uses and for isolation of the facility to reasonably protect the confined poultry from exposure to disease;

2. "Poultry" means chickens, turkeys, ducks, geese or other fowl; and

3. "Corporate swine production" means the land, structures, facilities and related equipment used for housing, breeding, farrowing, feeding and processing of swine and the providing of supervisory, technical and other assistance to any persons performing such services on behalf of the corporation. The term includes within its meaning only such agricultural land as is necessary for proper disposal of liquid and solid wastes in environmentally sound amounts for crop production or other authorized uses and for isolation of the facility to reasonably protect the confined animals from exposure to disease.

SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 954.1 of Title 18, unless there is created a duplication in numbering, reads as follows:

A. 1. The board of county commissioners, by resolution, may authorize corporate poultry confinement or corporate swine production to be established within the county. Such resolution shall be published once each week for two (2) consecutive weeks in the official county newspaper. The resolution shall take effect sixty (60) days after final publication unless a valid petition in opposition to the resolution is filed.

2. If within sixty (60) days of the final publication of the resolution, a valid protest petition to submit the resolution to the qualified voters of the county is signed by qualified electors of the county equal in number to not less than five percent (5%) of the electors of the county who voted for the office of Secretary of State at the last preceding general election at which such office was elected, and is filed with the county election officer, the county election officer shall submit the question of whether corporate poultry confinement or corporate swine production shall be allowed to be established in such county at the next statewide or countywide regular or special election.

B. 1. The board of county commissioners, upon a petition filed in accordance with paragraph 2 of this subsection, shall submit to the qualified electors of the county a proposition to permit corporate swine production or corporate poultry confinement to be established within the county.

2. A petition to submit a proposition to the qualified voters of a county pursuant to this section shall be filed with the county election officer. The petition shall be signed by qualified electors of the county equal in number to not less than five percent (5%) of the electors of the county who voted for the office of Secretary of State at the last preceding general election at which

such office was elected. The following shall appear on the petition:

"We request an election to determine whether corporate poultry confinement and/or corporate swine production shall be allowed to be established in \_\_\_\_\_ County, pursuant to the Oklahoma Farming or Ranching Business Corporations Act."

3. Upon the submission of a valid petition calling for an election pursuant to this subsection, the county election officer shall submit the question of whether corporate swine production or corporate poultry confinement shall be allowed to be established in such county at the next statewide or countywide regular or special election which occurs more than sixty (60) days after the petition is filed with the county election officer.

C. If a majority of the votes cast and counted are in opposition to allowing corporate swine production facilities or corporate poultry confinement facilities to be established in such county, the county election officer shall transmit a copy of the result to the Secretary of State who shall publish in "The Oklahoma Register" and in a paper of general circulation in the county where the election was held the result of such election with a statement that corporate swine production or corporate poultry confinement is not allowed to be established in such county.

D. If a majority of the votes cast and counted is in favor of the proposition, the county election officer shall transmit a copy of the result to the Secretary of State who shall publish in "The Oklahoma Register" and in a paper of general circulation in the county where the election was held the result of such election with a statement that corporate swine production or corporate poultry confinement is allowed to be established in such county.

E. The election provided for by this section shall be conducted, and the votes counted and canvassed, in the manner provided by law for question-submitted elections of the county.

SECTION 5. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

46-2-9053

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