

§ 106-65.86. Certification by Board; requirements.

(a) The Board may certify a cotton growers' organization for the purpose of entering into agreements with the State of North Carolina, other states, the federal government and other parties as may be necessary to carry out the purposes of this Article.

(b) In order to be eligible for certification by the Board, the cotton growers' organization must demonstrate to the satisfaction of the Board that:

- (1) It is a nonprofit organization and could qualify as a tax-exempt organization under section 501(a) of the Internal Revenue Code of 1954 (26 USC 501(a));
- (2) Membership in the organization shall be open to all cotton growers in this State;
- (3) The organization shall have only one class of members with each member entitled to only one vote;
- (4) The organization's board of directors shall be composed of:
 - a. Two cotton growers from this State being appointed by the Commissioner, with the consent of the Board; and
 - b. One representative of State government from this State, appointed by the Commissioner, with the consent of the Board.
- (5) All books and records of account and minutes of proceedings of the organization shall be available for inspection or audit by the Commissioner or his representative at any reasonable time; and
- (6) Employees or agents of the growers' organization who handle funds of the organization shall be adequately bonded. (1983, c. 136, s. 3.)