

1975 Assembly Bill 213

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CHAPTER 67, Laws of 1975

AN ACT to create 100.235 of the statutes, relating to agricultural commodity producers' payments to growers, granting rule-making authority and providing a penalty.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

100.235 of the statutes is created to read:

100.235 Unfair trade practices in purchase of vegetable crops. (1) No processor of vegetable crops, who grows in this state more than 10% of the acreage of a species of vegetable, processed at a single processing plant, may pay to growers who sell vegetable crops under contract to him for processing at such plant, an average amount per ton less than the average cost per ton incurred by the processor in growing such vegetable species himself in this state during the past 3 consecutive years prior to the current contract year. If the processor has grown a vegetable species less than 3 consecutive years, he shall average the costs of the past 2 consecutive years, if applicable, or use the cost of the preceding year when it is the only one available.

(2) On the complaint of any grower filed with the department within 180 days after completion of the processing of a vegetable at a plant, alleging that the processor to whom he sold a vegetable crop under contract may have engaged in such unfair trade practice, the department shall make investigation thereof. In making its investigation the department may require the processor to submit reports of his acreages, tonnages, costs of growing, and amounts paid to contract growers. For vegetables contracted on a tonnage basis and for open-market tonnage purchased, the processor shall report the estimated acreage based on this state's average yield per acre for the preceding year. All such reports shall be confidential and shall not be open to public inspection. The department may require such reports to be certified by a public accountant or the department may inspect the processor's records to verify such reports. Upon completion of its investigation, the department shall issue its determination as to whether the processor has engaged in an unfair trade practice. If the department finds that the processor has engaged in an unfair trade practice, it shall specify the amount per ton by which the processor's costs of growing the vegetable species exceeded the amount paid to contract growers. Either the complainant or the processor may demand a public hearing of the matter, before the department, within 30 days of receipt of the determination, and shall be entitled to judicial review of the department's order under ch. 227.

(3) The department, after public hearing, may by rule adopt a uniform system of cost accounting to be used by processors in determining and reporting growing costs. Such accounting system shall take into account cost differences attributable to factors affecting prices for the vegetable species under the processor's contract with growers. If the contract provides for no seed charge or for cancellation of seed charges and charges for services furnished by the processor, if any, with respect to growers' nonharvested acreage, then the processor's cost of growing such species of vegetable shall not include the cost of his own nonharvested acreage. A violation of this section or any rule issued under this section is an unfair trade practice under s. 100.20.
