

Senate Bill 533

By: Senators Ragan of the 11th, Meyer von Bremen of the 12th, Smith of the 25th, Cable of the 27th, James of the 35th and others

**A BILL TO BE ENTITLED
AN ACT**

1 To amend Title 2 of the Official Code of Georgia Annotated, relating to agriculture, so as to
2 provide for the regulation of certain agricultural production contracts; to provide for
3 definitions; to provide for applicability; to prohibit the inclusion of certain terms and
4 conditions in such contracts; to prohibit certain unfair practices and conduct; to provide for
5 the rights of producers; to require the furnishing of certain information; to repeal conflicting
6 laws; and for other purposes.

7 **BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:**

8 **SECTION 1.**

9 Title 2 of the Official Code of Georgia Annotated, relating to agriculture, is amended by
10 adding at the end thereof a new Chapter 22 to read as follows:

11 **"CHAPTER 22**

12 2-22-1.

13 As used in this chapter, the term:

14 (1) 'Active contractor' means a person who owns poultry that is produced by a contract
15 producer at the contract producer's contract operation according to a production contract.

16 (2) 'Contract producer' means a producer who holds a legal interest in a contract
17 operation and who produces poultry under a production contract at that contract
18 operation.

19 (3) 'Processor' means a person engaged in the business of manufacturing goods from
20 poultry, including by slaughtering or processing poultry.

21 (4) 'Produce' means to provide feed or services relating to the care and feeding of
22 poultry.

23 (5) 'Producer' means a person who produces poultry, including, but not limited to, a
24 contract producer. 'Producer' does not include a feed supplier or a veterinarian when
25 acting in such capacity.

(6) 'Production contract' means a written agreement executed by an active contractor or processor that provides for the production of poultry or the provision of management services relating to the production of poultry by a contract producer.

4 2-22-2.

5 A production contract must be in writing. No production contract executed or substantially
6 amended on or after July 1, 2002, shall require binding arbitration as a method for
7 resolution of disputes concerning the terms and conditions of the contract. Any such
8 production contract or amendment thereto executed on or after such date which contains
9 a requirement for binding arbitration shall be void and unenforceable.

10 2-22-3.

11 No production contract shall require a producer to waive his or her right to review a
12 proposed contract with any other person, including an attorney, chosen by the producer.

13 2-22-4.

14 A producer shall be provided by the processor upon request the statistical information and
15 data used to determine compensation paid to the contract producer under a production
16 contract, including, but not limited to, feed conversion rates, feed analyses, origination, and
17 breeder history.

18 2-22-5.

19 Producers have the right to observe, by actual observation at the time of weighing, the
20 weights and measures used to determine the contract producer's compensation under a
21 production contract. A producer may have a designated representative observe the
22 weighing if he or she chooses."

SECTION 2.

24 All laws and parts of laws in conflict with this Act are repealed.