

House Bill 648 (FLOOR SUBSTITUTE) (AM)

By: Representatives Ray of the 108th, James of the 114th, and Heath of the 18th

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 poultry production contracts and practices related
3 thereto; to provide for remedies, enforcement, and penalties; to define certain terms; to repeal
4 conflicting laws; and for other purposes.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

6 SECTION 1.

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

9 "CHAPTER 22

10 2-22-1.

11 As used in this chapter, the term:

12 (1) 'Contract grower or contract producer' means a producer of poultry who holds a legal
13 interest in a contract operation and who produces poultry under a production contract at
14 that contract operation.

15 (2) 'Integrator or processor' means a person who owns poultry that is produced by a
16 contract grower or contract producer or who is engaged in the business of manufacturing
17 goods from poultry, including by slaughtering or processing poultry.

18 (3) 'Production contract' means an agreement executed by an integrator or processor that
19 provides for the production of poultry or the provision of management services relating
20 to the production of poultry by a contract grower or contract producer in this state.

21 2-22-2.

22 (a) Any production contract entered into, extended, renewed, or amended on or after the
23 effective date of this chapter shall be voidable by the contract grower or contract producer
24 if:

25 (1) The contract grower or contract producer has not been afforded the opportunity to
26 have the proposed production contract reviewed outside the business premises of the

1 integrator or processor or its agents by an attorney or adviser of the contract grower's or
2 contract producer's choosing for at least three business days prior to execution; provided,
3 however, that this paragraph shall not apply to the mere extension or renewal of an
4 existing contract with no change in material terms from the existing contract other than
5 the period covered thereby;

6 (2) The contract does not quote the provisions of subsection (b) of this Code section; or

7 (3) The contract is not signed by all parties before chicks are placed with the contract
8 grower or contract producer.

9 (b)(1) Unless waived in writing by the contract grower or contract producer at the time
10 of signing a production contract, the contract grower or contract producer shall have a
11 right to cancel a production contract until 12:00 Midnight of the third business day after
12 the day on which he or she signs the contract or until chicks have been placed with the
13 contract grower or contract producer, whichever occurs first.

14 (2) Notice of cancellation under this subsection shall be given in writing to the integrator
15 or processor at the place of business as set forth in the production contract by certified
16 mail or statutory overnight delivery, return receipt requested, which shall be posted
17 before termination of the right to cancel under paragraph (1) of this subsection. Notice
18 of such written cancellation need not include any particular words or phrases to be
19 effective so long as it indicates the intention of the contract grower or contract producer
20 not to be bound by the production contract.

21 2-22-3.

22 Any integrator or processor shall provide to any contract grower or contract producer upon
23 request thereby any statistical information and data used to determine compensation paid
24 to such contract grower or contract producer under a production contract, other than a trade
25 secret as defined by Code Section 10-1-761.

26 2-22-4.

27 Any contract grower or contract producer or the designee thereof shall have the right to be
28 present at the weighing of poultry produced by such grower or producer, be present at the
29 weighing of feed delivered by the integrator or processor, and observe the weights and
30 measures used to determine compensation due such grower or producer under a production
31 contract.

1 2-22-5.

2 (a) Violations of the provisions of Code Section 2-22-3 or 2-22-4 shall be subject to the
3 same civil remedies and in the same manner as provided by Part 2 of Article 15 of Chapter
4 1 of Title 10, the 'Fair Business Practices Act of 1975,' for persons whose business or
5 property has been injured or damaged as a result of an unfair or deceptive act or practice
6 in violation of subsection (a) of Code Section 10-1-393.

7 (b) The provisions of Code Section 2-22-3 or 2-22-4 may be enforced by the
8 Commissioner in the same manner as provided by Part 2 of Article 15 of Chapter 1 of Title
9 10, the 'Fair Business Practices Act of 1975,' for enforcement of the provisions of said part
10 by the administrator of consumer affairs against a person reasonably appearing to have
11 engaged in unfair or deceptive act or practice in violation of subsection (a) of Code Section
12 10-1-393, and the superior courts may grant injunctive relief and impose the same civil
13 penalties for violations of injunctions as provided in said part."

14

SECTION 2.

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