

House Bill 833

By: Representative Sims of the 169th

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 8 of Title 13 of the Official Code of Georgia Annotated, relating to illegal
2 and void contracts generally, so as to make legislative findings; to define certain terms; to
3 provide that certain acts shall constitute unfair methods of competition and unfair or
4 deceptive acts or practices; to provide for civil remedies; to provide for related matters; to
5 repeal conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Chapter 8 of Title 13 of the Official Code of Georgia Annotated, relating to illegal and void
9 contracts generally, is amended by adding a new article to read as follows:

10 "ARTICLE 4

11 13-8-60.

12 The General Assembly finds that the production of poultry and swine in the State of
13 Georgia vitally affects the general economy of the state and the public interest and public
14 welfare and that the advantages that integrators and processors over contract producers is
15 so vast that the state, in the exercise of its police power, must regulate integrators and their
16 representatives doing business in Georgia in order to prevent frauds, unfair business
17 practices, unfair methods of competition, impositions, and other abuses upon its citizens.

18 13-8-61.

19 As used in this chapter, the term:

20 (1) 'Contract producer' means a producer of poultry or swine who holds a legal interest
21 in a contract operation and who produces poultry under a production contract at that
22 contract operation.

23 (2) 'Integrator' means a person who owns poultry that is produced by a contract producer
24 or who is engaged in the business of manufacturing goods from poultry or swine,
25 including by slaughtering or processing poultry or swine.

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

29 13-8-62.

30 No production contract shall be of less than 12 months nor longer than 36 months in
31 duration.

32 13-8-63.

33 The integrator shall hold the contract producer harmless for the balance on any loan or
34 combination of loans in excess of \$100,000.00 made by the integrator to the contract
35 producer to make facility upgrades made necessary by the production contract if the
36 integrator idles or ceases the operation of such contract producer.

37 13-8-64.

38 The integrator shall hold the contract producer harmless for the death of any animals during
39 the production process; provided; however, that in the event of the death of over 50 percent
40 of the animals under production, the integrator shall hold the contract producer harmless
41 for 50 percent of such loss.

42 13-8-65.

43 In the event an integrator idles or ceases operations, it shall fully compensate the contract
44 producer for economic loss caused by such idling or cessation of operations; provided,
45 however, that the contract producer shall make reasonable efforts to ameliorate such
46 economic losses.

47 13-8-66.

48 (a) Any person who shall be injured in his or her business or property by reason of
49 anything forbidden in this article may bring an action therefor in the appropriate superior
50 court of this state and shall recover the actual damages sustained and the costs of such
51 action, including any reasonable attorney's fee.

52 (b) When such action is one of common or general interest to many persons or when the
53 parties are numerous and it is impracticable to bring them all before the court, one or more
54 may bring a class action for the benefit of the whole, including actions for injunctive relief.

55 (c) In an action for money damages, if the jury finds that the defendant acted maliciously,
56 the jury may award punitive damages as permitted by Georgia law.

57 13-8-67.

58 Any contract or franchise agreement or part thereof or practice thereunder in violation of
59 any provision of this article shall be deemed against public policy and shall be void and
60 unenforceable."

61 **SECTION 2.**

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