

House Bill 648 (AS PASSED HOUSE AND SENATE)

By: Representatives Ray of the 108<sup>th</sup>, Purcell of the 122<sup>nd</sup>, James of the 114<sup>th</sup>, Black of the 144<sup>th</sup>, Jenkins of the 93<sup>rd</sup>, 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 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.

2-22-2.

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

(1) The contract grower or contract producer has not been afforded the opportunity to have the proposed production contract reviewed outside the business premises of the integrator or processor or its agents by an attorney or adviser of the contract grower's or contract producer's choosing for at least three business days prior to execution; provided, however, that this paragraph shall not apply to the mere extension or renewal of an existing contract with no change in material terms from the existing contract other than the period covered thereby;

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

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

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

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

2-22-3.

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

2-22-4.

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

2-22-5.

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

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

## **SECTION 2.**

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