

MAINE STATE LEGISLATURE

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STATE OF MAINE
SENATE
FIRST SPECIAL SESSION
107TH LEGISLATURE

COMMITTEE AMENDMENT "A" to S.P. 702, L.D. 2221, Bill,
"AN ACT to Revise the Potato Licensing Law."

Amend said Bill by striking out all of section 2 and
inserting in place thereof the following:

'Sec. 2. 7 MRSA §1017, sub-§4 is enacted to read:

4. Notification of insufficient or no payment. Producers may notify the Department of Agriculture of insufficient or no payment for potatoes delivered to any processor in the State in violation of subsection 1, paragraph B.

A. Action by the commissioner. The Commissioner of Agriculture or his agent, upon notification by producers of insufficient or no payment shall immediately investigate the complaint and shall hold a hearing within 10 days from the date the complaint was filed, unless such hearing is waived by the processor against whom the charge has been made. The processor accused of nonpayment shall provide the commissioner with a copy of the contract, if any, and all other materials and information to enable the commissioner to carry out the provisions of this section. Upon finding, after investigation that the processor has violated the contract, express or implied, the commissioner shall require the processor to post a bond sufficient to cover the debt owed to the producer or producers.

(1) The commissioner may require the licensee, who has been accused or found guilty after a hearing of insufficient payment or nonpayment of debts owed a

producer, to formulate a schedule of payments to the producer that is satisfactory to the commissioner. The schedule of payments shall not exceed a 30-day period.

(2) The licensee accused of or found by a hearing to be in default of payment to a producer shall submit a payment schedule to the commissioner within one week from the commissioner's request for a payment schedule. In the event that the schedule of payment is not satisfactory to the commissioner, the commissioner shall establish the schedule of payment not to exceed a 30-day period.

(3) The commissioner shall suspend the license of any licensee who fails to conform to the payment schedule established in this section until the producer is paid the total claim to which the producer is entitled.

(4) A licensee found guilty of insufficient payment or nonpayment of debts owed a potato producer may appeal the decision in accordance with the procedure defined in section 1021. The licensee shall post a bond sufficient to cover the total claim owed the producer on the date on which the licensee files an appeal as established in this subsection. The bond required for an appeal procedure may be waived by the commissioner in the event that the bond required in paragraph A is valid and sufficient to cover the total claim owed the producer.

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(5) Nothing in this section shall be construed to prohibit a producer from seeking redress for insufficient payment or nonpayment from licensees in any court or in accordance with any federal procedure established to obtain redress.'

Statement of Fact

The intent of this amendment is to provide stricter controls and guidelines in procedures to recover moneys owed producers by processors than exists in the original bill.

Reported by the Committee on Agriculture.

Reproduced and distributed pursuant to Senate Rule 11-A.

March 22, 1976.

(Filing No. S-458).