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No. 1282

S.P. 413

In Senate, March 11, 2003

An Act To Amend the Laws Governing Agricultural Marketing and Bargaining

Reference to the Committee on Agriculture, Conservation and Forestry suggested and ordered printed.

JOY J. O'BRIEN Secretary of the Senate

Presented by Senator MARTIN of Aroostook.

Cosponsored by Senator BENNETT of Oxford, Representative SMITH of Van Buren and Senator: STANLEY of Penobscot, Representatives: BENNETT of Caribou, FISCHER of Presque Isle, JACKSON of Fort Kent, JOY of Crystal.

Be it enacted by the People of the State of Maine as follows:

2 Sec. 1. 7 MRSA §1091, as amended by PL 1987, c. 384, §1, is further amended to read: 4 6 §1091. Dues and fair share fees 8 For purposes of this section, "fair share fee" means the fee deducted by a dealer or processor from a nonmember producer. The 10 fair share fee must be used to defray the costs incurred by a recognized collective bargaining unit in fulfilling its duty to 12 represent producers in their relations with the dealer or processor. The fair share fee may not exceed the standard initiation fee, membership dues and general assessments of the 14 collective bargaining unit. 16 If a member of an association as defined in Title 13, section 1774, subsection 3 makes a written assignment of dues to 18 that association, those dues shall must be paid out of funds due or to become due to that member for any farm product produced or 20 to be produced by that member, or for any services performed or to be performed by that member in the production of farm 22 products. Any person who accepts or receives the product or services from the member is bound by that assignment after 24 receiving written notice from the association or from the member, and that person shall withhold the assigned dues from amounts 26 payable by him that person to the member thereafter during the 28 period of the assessment. 30 Nonmember producers who supply farm products to dealers or processors who are subject to collective bargaining must be assessed an association fair share fee of 75% of the amount 32 charged to members as dues. This assessment must be collected in the same manner as member dues. 34 Sec. 2. 7 MRSA §1092, as amended by PL 1987, c. 384, §2, is 36 further amended to read: 38 §1092. Assignment 40 No provision which that is inserted in any contract or other 42 instrument that is prepared by a dealer or processor which that makes an assignment of the dues or fair share fees described in section 1091 ineffective is valid. 44

An assignment of dues or fair share fees may not exceed 1% of the total value of the product or services delivered by the
 member to the dealer or processor.

Sec. 3. 7 MRSA §1093, as repealed and replaced by PL 1987, c. 384, \S 3, is amended to read: 2

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§1093. Remittance of dues and fair share fees; accounting

6 1. Sale of farm products. Subject to subsection 3, a dealer or processor shall, on or before the 15th day of each 8 month, pay to an association all dues and fair share fees assigned to the association pursuant to section 1091 with respect to farm products received from members and nonmembers by the 10 dealer or processor during the preceding calendar month. At the 12 time of each monthly payment of dues and fair share fees, the dealer or processor shall provide to the association a summary 14 statement showing, for each member and nonmember, the quantity of farm products received, the payment due to the member and nonmember for those farm products prior to the deduction of dues 16 or fair share fees and the amount of dues or fair share fees 18 deducted therefrom pursuant to the assignment.

20 Performance of farm services. Subject to subsection 3, 2. a dealer or processor shall, on or before the 15th day of each month, pay to an association all dues and fair share fees 22 assigned to the association pursuant to section 1091 with respect 24 to services performed by members and nonmembers in the production of farm products which that were received by the dealer or processor during the preceding calendar month. At the time of 26 each monthly payment of dues and fair share fees, the dealer or 28 processor shall provide to the association a summary statement showing, for each member and nonmember, the quantity of farm 30 products for which services were performed and the amount of dues or fair share fees deducted therefrom pursuant to the assignment. 32

- 3. Flat rate dues and fair share fees deductions. In the 34 event that the dues and fair share fees assigned to the association pursuant to section 1091 are not calculated on the 36 quantity of farm products sold or tendered by members and nonmembers to the dealer or processor, the dealer or processor 38 shall pay the dues and fair share fees to the association according to the payment schedule contained in the assignment. 40 No payment schedule may require the payment of assigned dues and fair share fees more frequently than once a month.
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Sec. 4. 13 MRSA §1958-B, sub-§2, as enacted by PL 1987, c. 44 155, §15, is amended to read:

46 2. Required mediation. Any matters remaining in dispute between the handler and a qualified association 30 days prior to 48 the contract date, as defined in subsection 4, shall must be submitted by the parties to required mediation. No later than 30 days prior to the contract date, the parties shall must have 50

mutually agreed on a mediator and on sharing the costs of 2 mediation or shall must have notified the board that the services of the State's Panel of Mediators will be needed. If services of 4 the State's Panel of Mediators are used, the parties shall share all costs of mediation equally. Mediation shall may not continue 6 for no more than 3 consecutive days for annual crops; all other commodities shall may not last no more than 5 days, unless the 8 mediator earlier declares that resolution by mediation is not possible. Mediation may be extended by mutual agreement by the 10 bargaining parties. At the end of the mediation period or upon the mediator's earlier declaration, the mediator shall promptly 12 prepare a report specifying all agreements reached in mediation and recommending that the parties either resume bargaining as to 14 all matters remaining in dispute for a period of time not to exceed 2 days or that the parties submit all matters remaining in 16 dispute to arbitration. The parties shall proceed according to the mediator's recommendation. If the parties are to resume 18 bargaining, that bargaining shall must commence on the day after the day on which the mediator makes his the recommendation. Any 20 matters remaining in dispute at the end of the specified bargaining period shall must be submitted to arbitration. 22

Sec. 5. 13 MRSA §1958-B, sub-§5, ¶¶A and D, as repealed and replaced by PL 1989, c. 703, §2, are amended to read:

26 For all matters submitted to arbitration, the arbitrator Α. shall eheese-between issue a decision that resolves the matter or matters in a manner that is equal to or within the 28 parameters of either of the final offers of the parties. If 30 the parties reach an agreement on the matters under arbitration before the arbitrator issues a decision, they 32 may submit a joint final offer that the arbitrator shall accept and render as the decision. The arbitrator may hold 34 administer oaths, hearings and examine witnesses and documents, take testimony and receive evidence, and issue 36 subpoenas to compel the attendance of witnesses and the production of records. A person who fails to obey the subpoena of an arbitrator may be punished for contempt of 38 court on application by the arbitrator to the Superior Court for the county in which the failure occurs. The arbitrator 40 may utilize other information in addition to that provided by or elicited from the parties. The arbitrator shall issue 42 a decision within 10 days of the commencement of arbitration and that decision shall-be is binding on the parties. 44 Ιf the parties reach an agreement on the matters in the 46 arbitrator's decision prior to signing the contract, they may submit a joint final offer to the arbitrator. The arbitrator shall rescind the previous decision and accept 48 and render the joint final offer as the decision.

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D. Upon notification by the parties as provided in this subsection, the commissioner shall submit to the parties a list containing an odd number of names of members of the panel of arbitrators who are available for <u>the specific</u> <u>pending</u> arbitration <u>and have expressed a willingness to serve</u>. The parties shall alternately strike names from the list until a single name is left, who shall-be <u>will serve as</u> the arbitrator. The order of striking names must be determined by chance.

SUMMARY

- 14 This bill makes the following changes to the laws governing agricultural marketing and bargaining.
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- It specifies that mediation of disputes between the
 handler and the qualified association may not continue for more
 than 3 consecutive days for annual crops.

It requires that, for matters submitted to arbitration,
 the arbitrator issue a decision that resolves the matter in a manner that is equal to either one of the final offers of the
 parties or within the parameters of either one of the final offers of the final offers of the parties.

3. It requires that the list of arbitrators submitted 28 contain the names of only those arbitrators who are available for the specific pending arbitration and have expressed a willingness 30 to serve.

32 4. It assesses on nonmember producers an association fair share fee of 75% of the amount charged to members as fees.

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