

1500.1301 COMMITMENT TO PAY.

Subpart 1. **Terms of commitment.** A processor may use a pooling arrangement to partially or fully meet the statutory obligation to pay the full contract price for produce committed for.

Subp. 2. **Contracts with pool arrangements.** If contracts contain pool arrangements, the processor shall pay a minimum of 50 percent, with the remainder of the pool to be paid for by the growers or others.

For purposes of determining compensation, yield and grade of unharvested acreage must be based on the actual yield and grade of a part of the grower's field that has been harvested for the purpose of determining yield and grade.

If it is impossible or impractical to harvest part of a grower's field, the grower and processor may agree on the method for determining yield and grade.

A grower who disagrees with the processor's determination of compensation may contact the Department of Agriculture for mediation or arbitration services to resolve the dispute.

Subp. 3. **Statement of aggregate disposition of passed acreage funds.** At the end of each season after passed acreage totals have been determined, each processor whose contract provides for a pooling arrangement shall provide contract growers with a statement summarizing the aggregate disposition of passed acreage funds. The statement must be provided to each grower with the grower's final paycheck. At a minimum, the statement must include:

- A. the total amount of acreage left unharvested by the processor;
- B. the amount of unsuitable acreage abandoned by the processor and the aggregate compensation paid for that acreage;
- C. the amount of suitable acreage passed by the processor and the total passed acreage compensation paid for that acreage;
- D. total grower contributions to the passed acreage pool;
- E. total processor contributions for passed acreage compensation; and
- F. total payment to growers, broken down into number of growers being paid, amount of acreage paid for, and total payment to all growers for passed acreage.

Statutory Authority: *MS s 27.14*

History: *16 SR 2441*

Published Electronically: *February 5, 2007*