

1500.1401 UNFAIR TRADE PRACTICES.

It is unlawful in or in connection with any produce transaction:

A. for a wholesale produce dealer to make, for a fraudulent purpose, a false or misleading statement in connection with a transaction involving produce, including statements made to induce a person to sign a contract;

B. for a wholesale produce dealer to misrepresent by word, act, mark, stencil, label, statement, or deed, the character, kind, grade, quality, quantity, size, pack, weight, condition, degree of maturity, or origin of any produce received, shipped, sold, or offered to be sold;

C. for a wholesale produce dealer, for a fraudulent purpose, to remove, alter, or tamper with a card, stencil, stamp, tag, or notice placed upon a container or railroad car containing produce, if the card, stencil, stamp, tag, or notice contains a certificate or statement under authority of a federal or state inspector or in compliance with a federal or state law or regulation as to the grade or quality of the produce contained in the container or railroad car;

D. for a wholesale produce dealer to use coercion, intimidation, the threat of retaliation, or the threat of contract termination to impose, demand, compel, or dictate the terms, payment or manner of payment, or the signing of a contract by a producer;

E. for a wholesale produce dealer, without the consent of an inspector, to make, cause, or permit to be made any change by way of substitution or otherwise in the contents of a load or lot of produce after it has been officially inspected for grading and certification. This does not prohibit resorting and discarding inferior produce; or

F. for a processor to commit to pay an amount less than the full contract price if the crop produced is satisfactory for processing and is not harvested for reasons within the processor's control. If the processor sets the date for planting, bunching, unusual yields, or a processor's inability or unwillingness to harvest are considered to be within the processor's control. Under this item, growers must be compensated for passed acreage at the same rate they would have received had the crop been harvested minus any contractual provision for green manure or feed value. Both parties are excused from payment or performance for crop conditions that are beyond the control of the parties.

Statutory Authority: *MS s 27.14*

History: *16 SR 2441*

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