

SECOND REGULAR SESSION

HOUSE BILL NO. 1967

91ST GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES MONACO, SHOEMYER (9),
RIZZO (Co-sponsors) AND WHORTON.

Read 1st time February 18, 2002, and 1000 copies ordered printed.

TED WEDEL, Chief Clerk

4489L.011

AN ACT

To amend chapter 265, RSMo, by adding thereto one new section relating to the poultry producer protection act.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Chapter 265, RSMo, is amended by adding thereto one new section, to be
2 known as section 265.700, to read as follows:

**265.700. 1. As used in this section, the following terms shall mean, unless the
2 context clearly indicates otherwise:**

3 (1) "Capital investment", an investment in a structure, such as a building or
4 storage structure, or machinery or equipment associated with producing poultry which has
5 a useful life in excess of one year;

6 (2) "Contract producer", a producer who holds a legal interest in a contract
7 operation and who produces poultry under a production contract;

8 (3) "Investment requirement", a provision in a contract which requires the
9 contract producer to make capital investments associated with producing poultry subject
10 to a production contract. The provisions may be included as part of one or more oral or
11 written agreements or contracts, and may be included as part of a production contract;

12 (4) "Poultry contract", a production contract;

13 (5) "Producer", a person who produces poultry, including but not limited to a
14 contract producer. Producer does not include a feed or animal genetics supplier, or a
15 veterinarian when acting in such capacity;

16 (6) "Production contract", an oral or written agreement that provides for the
17 production of poultry or the provision of management services relating to the production
18 of poultry by a contract producer. A production contract shall be deemed executed when

19 it is signed or orally agreed to by each party to the contract or by a person authorized to
20 act on the party's behalf.

21 **2. This section shall apply to poultry production contracts executed by contract**
22 **producers and contractors, if the contract producer makes capital investments of one**
23 **hundred thousand dollars or more according to investment requirements provided in all**
24 **production contracts in which the contract producer and the contractor are parties.**

25 **3. No contract producer or contractor shall renegotiate, alter, or amend a poultry**
26 **contract while the contract is in effect, unless the basis for the renegotiation or alteration**
27 **is the abandonment of the contractual relationship or the conviction of a contract producer**
28 **or contractor of an offense of fraud or theft committed against the contract.**

29 **4. Producers shall have the following legal rights and protections:**

30 **(1) The right to join or belong to, or to refrain from joining or belonging to, an**
31 **association of producers;**

32 **(2) The right to lawfully provide statements or information, including to the United**
33 **States Secretary of Agriculture or to a law enforcement agency, regarding alleged**
34 **improper actions or violations of law by a contractor. Such right does not include the right**
35 **to make statements or provide information if the statements or information are determined**
36 **to be libelous or slanderous;**

37 **(3) The right to exchange information with other producers; and**

38 **(4) The right to submit a poultry contract for review by legal counsel or financial**
39 **institutions.**

40 **5. No contract producer shall engage in the practice of tournament pricing.**
41 **Contractors shall provide all contract producers in a tournament with a baseline price,**
42 **with any incentives in the tournament to be provided by the contractor only.**

43 **6. The attorney general's office shall be the agency primarily responsible for**
44 **enforcing the provisions of this section.**