

2017 Regular Session

HOUSE BILL NO. 431

BY REPRESENTATIVE SCHEXNAYDER

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

AGRICULTURE: Amends provisions of law regarding co-operative marketing associations

1 AN ACT

2 To amend and reenact R.S. 3:121, 124, and 125(1), relative to co-operative marketing
3 associations; to provide for an expansion and clarification of the purposes of a co-
4 operative marketing association; to provide for an expansion of the powers of a co-
5 operative marketing association; to provide for definitions; and to provide for related
6 matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 3:121, 124 and 125(1) are hereby amended and reenacted to read as
9 follows:

10 §121. Declaration of policy

11 The purpose of this Part is to promote, foster, and encourage the intelligent
12 and orderly marketing of agricultural products through co-operation; ~~to eliminate~~
13 ~~speculation, unnecessary middlemen, and waste; to make the distribution of~~
14 ~~agricultural products as direct as can be efficiently done between producer and~~
15 ~~consumer; and to stabilize the marketing of agricultural products.~~

16 * * *

17 §124. Purposes

18 A. An association may be organized to engage in any activity in connection
19 with the marketing or selling of the agricultural products of its members, or with the
20 harvesting, preserving, drying, processing, manufacturing, canning, packing,

1 grading, storing, handling, shipping, or utilizing thereof, or the manufacturing or
 2 marketing of by-products thereof; or in connection with the manufacturing, selling,
 3 or supplying to its members of machinery, equipment, or supplies; or more of the
 4 activities specified herein; or in the financing of the above enumerated activities; or
 5 to represent the interest of its members; or to engage in any lawful activity for which
 6 corporations may be formed under the laws of the state of Louisiana.

7 B. Every group of persons contemplating the organization of an association
 8 under this Part is urged to communicate with the dean of the college of agriculture
 9 of the Louisiana State University and Agricultural and Mechanical College, who will
 10 inform them whatever a survey of the marketing conditions affecting the
 11 commodities proposed to be handled may indicate regarding probable success.

12 §125. Powers

13 Each association incorporated under this Part shall have the following
 14 powers:

15 (1) To engage in any activity in connection with the marketing, selling,
 16 harvesting, preserving, drying, processing, manufacturing, canning, packing,
 17 grading, storing, handling, or utilization of any agricultural product produced or
 18 delivered to it by its members; or the manufacturing or marketing of the by-products
 19 thereof; or in connection with the purchase, hiring, or use by its members of supplies,
 20 machinery, or equipment, or in the financing of any such activities; or the
 21 representation of the interest of its members; or any lawful activity for which any
 22 corporation may be formed under the laws of the state of Louisiana. ~~or in any one or~~
 23 ~~more of the activities specified in this Section.~~ No association shall handle the
 24 agricultural products of any non-member, except as necessary and incidental to the
 25 handling of the products of the members; and in any case, the value of the products
 26 of nonmembers handled, shall not exceed the value of the products handled by the
 27 association for its members.

28 * * *

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 431 Original

2017 Regular Session

Schexnayder

Abstract: Expands and clarifies the purposes of a co-operative marketing association.

Present law declares that the purpose of co-operative marketing associations is to promote, foster, and encourage the intelligent and orderly marketing of agricultural products through co-operation; to eliminate speculation, unnecessary middlemen, and waste; to make the distribution of agricultural products as direct as can be efficiently done between producer and consumer; and to stabilize the marketing of agricultural products.

Proposed law changes present law by declaring that the sole purpose of co-operative marketing associations is to promote, foster, and encourage intelligent and orderly marketing of agricultural products through co-operation.

Present law provides that an association may be organized to engage in any activity in connection with the marketing or selling of the agricultural products of its members, or with the harvesting, preserving, drying, processing, manufacturing, canning, packing, grading, storing, handling, shipping, or utilizing thereof, or the manufacturing or marketing of by-products thereof; or in connection with the manufacturing, selling, or supplying to its members of machinery, equipment or supplies; or more of the activities specified herein; or in the financing of the above enumerated activities.

Proposed law modifies present law by adding that an association may be organized to represent the interest of its members or for any lawful activity for which corporations may be formed under the laws of the state of La.

Present law grants each association incorporated under present law the power to engage in any activity in connection with the marketing, selling, harvesting, preserving, drying, processing, manufacturing, canning, packing, grading, storing, handling, or utilization of any agricultural product produced or delivered to it by its members; or the manufacturing or marketing of the by-products thereof; or in connection with the purchase, hiring, or use by its members of supplies, machinery, or equipment, or in the financing of any such activities.

Proposed law modifies present law by also granting each association incorporated under present law the power to represent the interest of its members or engage in any activity for which corporations may be formed under the laws of the state of La.

(Amends R.S. 3:121, 124, and 125(1))