

IN THE SENATE

SENATE BILL NO. 1199

BY STATE AFFAIRS COMMITTEE

AN ACT

1 RELATING TO COOPERATIVE MARKETING ASSOCIATIONS; AMENDING SECTION 48-107,
2 IDAHO CODE, TO PROVIDE ADDITIONAL EXEMPT ACTIVITIES FROM THE IDAHO COM-
3 PETITION ACT IF CERTAIN CONDITIONS OCCUR; DECLARING AN EMERGENCY AND
4 PROVIDING RETROACTIVE APPLICATION.
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6 Be It Enacted by the Legislature of the State of Idaho:

7 SECTION 1. That Section 48-107, Idaho Code, be, and the same is hereby
8 amended to read as follows:

9 48-107. EXEMPT ACTIVITIES. (1) No provision of this chapter shall be
10 construed to prohibit:

11 (a) Activities that are exempt from the operation of the federal an-
12 titrust laws.

13 (b) Activities required or affirmatively approved by any statute of
14 this state or of the United States or by a regulatory agency of this
15 state or of the United States duly acting under any constitutional or
16 statutory authority vesting the agency with such power.

17 (c) Activities of a municipality or its officers or employees acting
18 in an official capacity, to the extent that those activities are autho-
19 rized or directed by state law.

20 (d) The existence of, or membership in, organizations instituted for
21 the purpose of mutual help and not having capital stock or conducted for
22 profit; nor shall the provisions of this act forbid or restrain individ-
23 ual members of such organizations from lawfully carrying out legitimate
24 objectives of the organization.

25 (e) Activities of any labor organization, individual members of the la-
26 bor organization, or group of labor organizations, of any employer or
27 group of employers, or of any groups of employees, if these activities
28 are directed predominantly to labor objectives which are permitted un-
29 der the laws of this state or of the United States.

30 (2) Persons engaged in the production of agricultural products may act
31 together in associations, corporate or otherwise, with or without capital
32 stock, in collectively processing, preparing for market, handling and mar-
33 keting the products of these persons, to the extent permitted under the laws
34 of this state or of the United States. These associations may have market-
35 ing agencies in common and such associations and their members may make the
36 necessary contracts and agreements to effect such purposes. However, such
37 associations must conform to the requirements of chapter 26, title 22, Idaho
38 Code, or alternatively satisfy the following requirements:

39 (a) Operate for the mutual benefit of the members thereof, as produc-
40 ers;

41 (b) Not deal in the products of nonmembers to an amount greater in value
42 than such as are handled by it for members; and

- 1 (c) Conform to one (1) or both of the following:
2 (i) That no member of the association is allowed more than one (1)
3 vote because of the amount of stock or membership capital he may
4 own therein; or
5 (ii) That the association does not pay dividends on stock or mem-
6 bership capital in excess of eight percent (8%) per annum.

7 SECTION 2. An emergency existing therefor, which emergency is hereby
8 declared to exist, this act shall be in full force and effect on and after its
9 passage and approval, and retroactively to July 1, 2000.