

TITLE 22
AGRICULTURE AND HORTICULTURE

CHAPTER 39
DEDUCTION OF DUES TO GROWER OR PRODUCER ORGANIZATIONS

22-3901. DEDUCTION OF DUES TO GROWER ORGANIZATIONS BY HANDLERS AND PROCESSORS. If any grower or producer of any farm product within this state voluntarily executes and causes to be delivered to a dealer or processor of farm products, either as a clause in a sales contract or other instrument in writing, a notice of assignment of dues to a nonprofit agricultural commodity organization directly representing the specific product involved, by which the processor or dealer is directed to deduct a sum from the price to be paid for such product and to pay the same over to such association as dues for the grower or producer, the processor or dealer shall deduct from the price to be paid for any farm product being sold by any such grower or producer to any such processor or dealer, the amount authorized and pay it over to the organization as assignee.

[22-3901, added 1969, ch. 321, sec. 1, p. 745.]

22-3902. ASSIGNMENT CANNOT BE INVALIDATED BY PRIVATE CONTRACT. No provision which is inserted in any contract that is prepared by a dealer or processor which makes an assignment of the dues described in section [22-3901](#) ineffective is valid.

[22-3902, added 1969, ch. 321, sec. 2, p. 745.]

22-3903. LIMITING AMOUNT OF DEDUCTIONS AND PAYMENTS OF ASSIGNED DUES. An assignment of dues may not exceed 2 per cent of the total value of the product which is delivered by the grower or producer to the dealer or processor.

[22-3903, added 1969, ch. 321, sec. 3, p. 745.]

22-3904. PAYMENT REQUIREMENT. Payment need not be made under any assignment of dues pursuant to section [22-3901](#) until the dealer or processor has available and under his control funds owing to the grower or producer that are sufficient in amount for making the payment of the dues involved. In the case of an annual product, such payment need not be made until the end of the product year.

[22-3904, added 1969, ch. 321, sec. 4, p. 745.]

22-3905. LIENHOLDER'S RIGHTS. Any dealer or processor who pays any dues to an association pursuant to the assignment of dues governed by this act shall not be liable for such sums upon any seed lien, farm laborer's lien or any other lien or encumbrance which has priority by law upon the proceeds of the farm crop or product. Any lienholder who has priority upon the proceeds from such farm crop or product whose lien remains unsatisfied shall have the right to receive all sums paid to any association pursuant to the assignment of dues. Such association shall remit all dues paid pursuant to the assignment to the priority lienholder upon the receipt of notice and proof that a valid prior lien exists against such farm crop or product.

[22-3905, added 1969, ch. 321, sec. 5, p. 745.]

22-3906. ADMINISTRATIVE EXPENSES. Any dealer or processor may deduct a sum not to exceed two percent (2%) of the total dues to be paid to an association for administrative expenses incurred by the payment of such dues under the assignment.

[22-3906, added 1969, ch. 321, sec. 6, p. 745.]