

SUBCHAPTER 43E - UNFAIR PRACTICES OF HANDLERS OF FRUITS AND VEGETABLES

02 NCAC 43E .0101 HANDLERS ON CASH BASIS

History Note: Authority G.S. 106-496; 106-497; 106-500(3);
Eff. August 1, 1982;
Repealed Eff. January 1, 1985.

02 NCAC 43E .0102 HANDLERS-PERMITS

(a) The applicant for a permit shall furnish to the Commissioner of Agriculture the following information:

- (1) place of business;
- (2) ownership of business;
- (3) date business was organized;
- (4) three references as to financial responsibility;
- (5) three references as to general reputation;
- (6) three producers with whom the handler has had business dealings within the past three years, and he may require that a certified financial statement showing assets and liabilities be furnished together with such additional information as may be necessary to determine the applicant's ability to carry out his contract.

(b) Each handler shall notify the Commissioner of Agriculture in writing the location of receiving stations to be operated by the handler at least 30 days prior to receipt of deliveries at such stations; and shall report the acreage of each commodity he has under contract at each station prior to the opening of his first receiving station at the beginning of season.

History Note: Authority G.S. 106-496; 106-497; 106-498; 106-499; 106-500;
Eff. August 1, 1982;
Amended Eff. January 1, 1985;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. September 23, 2017.

02 NCAC 43E .0103 PROVISIONS TO BE COVERED IN ALL CONTRACTS

The following provisions must be covered in all fruit and vegetable contracts:

- (1) Product. The kind of product and variety or type shall be specified in the contract.
- (2) Delivery. The opening and closing dates, the days of week, and hours of day for deliveries by producers shall be specified in the contract.
- (3) Quantity. Any limitations as to quantity handler will accept shall be specified in the contract. Unless limitations are set forth in the contract, it shall be the responsibility of the handler to accept all produce meeting the terms of the contract during the specified period stated in the contract.
- (4) Containers. The contract shall specify the kind of containers to be used for deliveries and who shall furnish such containers. If deliveries are to be made in bulk, state bulk delivery.
- (5) Size of Commodities. The contract shall specify any limitation as to minimum and maximum diameter or length of commodities to be received by the handler, and any limitations as to the percentages of sizes under or over the specified sizes.
- (6) Quality and Condition. These factors shall be clearly defined. If official United States Standards are used as the quality and condition basis the contract shall so specify. If United States Standards are not used, the contract shall define the meaning of the quality and condition terms used. The contract shall specify any limitations as to percentage of defects a lot may contain before considered cause for rejection.
- (7) Insecticides and Pesticides. When handlers specify the use of insecticides and pesticides the contract shall state that such shall comply with the requirement of the United States Environmental Protection Agency, Pesticide Regulation Division and the United States Pure Food, Drug and Cosmetic Act.
- (8) Statement or Terms. Statements or terms used in contracts shall be clear. Such vague terms as "satisfactory stock" or "cull material", etc., shall not be used unless defined.
- (9) Time of Payment. The time of payment for deliveries shall be definitely fixed and specified in the contract.
- (10) The time of payment for the products to be set at a date within 30 days from date of harvest.
- (11) Provisions to show the price to be paid for the product.
- (12) Provisions to show that the final acceptance of all products by the handler, will be in North Carolina.
- (13) Provisions to show who, by what method and at whose cost products will be harvested and delivered.

- (14) Provisions to release either party from the contract for reasons due to an act of God or any similar circumstances beyond their control.
- (15) No statement will be used in any contract that conflicts with the required provisions.

History Note: Authority G.S. 106-496; 106-497; 106-498; 106-499; 106-500(3);
Eff. August 1, 1982;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. September 23, 2017.

02 NCAC 43E .0104 APPLICATION FOR PERMITS

- (a) The application for a permit as a handler of fruits and vegetables, on all spring crops, must be filed in writing with the Commissioner of Agriculture, along with two copies of the applicant's proposed contract, on or before March 1 of each year.
- (b) The application for permit as a handler of fruits and vegetables on all fall crops must be filed in writing with the Commissioner of Agriculture, along with two copies of the applicant's proposed contract on or before July 31 of each year.
- (c) Applications should be sent to:
Markets Division
North Carolina Department of Agriculture
Post Office Box 27647
Raleigh, North Carolina 27611
- (d) The amount of a handler's bond is set in accordance with the estimated gross value of the product or products contracted.
- (e) The maximum bond will be fifty thousand dollars (\$50,000).
- (f) A new bond may be required or the existing bond may be increased as follows:
 - (1) by 50 percent when payment is not made within the time specified in the contract for the previous year's crop;
 - (2) by 50 percent on the handler's first violation of any term in his contract.

History Note: Authority G.S. 106-496; 106-497; 106-498; 106-500(3);
Eff. August 1, 1982;
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02 NCAC 43E .0105 VIOLATIONS-INVESTIGATION

History Note: Authority G.S. 106-496; 106-500;
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