

Appendix 4-A

Producer Protection Act

September 2000

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Section 1. Definitions. As used in this Act, unless the context otherwise requires:

- a. "Active contractor" means a person who owns a commodity that is produced by a contract producer at the contract producer's contract operation according to a production contract.
- b. "Agricultural Contract" means a marketing contract or a production contract.
- c. "Animal feeding operation" means a lot, corral, building, or other area in which livestock is confined and fed. An animal feeding operation does not include a livestock market.
- d. "Capital investment" means an investment in one of the following:
 - (1) A structure, such as a building or manure storage structure.
 - (2) Machinery or equipment associated with producing a commodity which has a useful life in excess of one year.
- e. "Commodity" means livestock, raw milk, or a crop.
- f. "Confinement feeding operation" means an animal feeding operation in which livestock is confined to areas which are totally roofed.
- g. "Contract crop field" means farmland located in this state where a crop is produced according to a production contract by a contract producer who owns or leases the farmland.
- h. "Contract livestock facility" means an animal feeding operation located in this state in which livestock or raw milk is produced according to a production contract by a contract producer who holds a legal interest in the animal feeding operation. "Contract livestock facility" includes a confinement feeding operation, an open feedlot, or an area which is used for the raising of crops or other vegetation and upon which livestock is fed for slaughter or is allowed to graze or feed.
- i. "Contract operation" means a contract livestock facility or a contract crop field.
- j. "Contract producer" means a producer who holds a legal interest in a contract operation and who produces a commodity under a production contract.
- k. "Contractor" means a person who is an active contractor or a passive contractor.
- l. "Crop" means a plant used for food, animal feed, fiber, oil, pharmaceuticals, nutraceuticals, or seed, including but not limited to alfalfa, barley, buckwheat, corn, flax, forage, millet, oats, popcorn, rye, sorghum, soybeans, sunflowers, tobacco, wheat, and grasses used for forage or silage.
- m. "Farmland" means agricultural land that is suitable for use in farming. [State may want to reference another statutory definition.]

- n. "Investment requirement" means a provision in a contract which require [sic] the contract producer to make capital investments associated with producing a commodity subject to a production contract. The provisions may be included as part of one or more oral or written agreements or contracts, and may be included as part of a production contract.
- o. "Livestock" means beef cattle, dairy cattle, poultry, sheep, or swine.
- p. "Marketing contract" means an oral or written agreement between a processor and a producer for the purchase of commodities grown or raised by the producer in this state. A marketing contract is executed when it is signed or orally agreed to by each party or by a person authorized to act on the party's behalf.
- q. "Open feedlot" means an unroofed or partially roofed animal feeding operation in which no crop, vegetation, or forage growth or residue cover is maintained during the period that livestock is confined in the operation.
- r. "Passive contractor" means a person who furnishes management services to a contract producer, and who does not own a commodity that is produced by the contract producer at the contract producer's contract operation according to a production contract.
- s. "Processor" means a person engaged in the business of manufacturing goods from commodities, including by slaughtering or processing livestock, processing raw milk, or processing crops. [Exemption for small processors?] [sic]
- t. "Produce" means to do any of the following:
- (1) Provide feed or services relating to the care and feeding of livestock. If the livestock is dairy cattle, then "produce" includes milking the dairy cattle and storing raw milk.
 - (2) Provide for planting, raising, harvesting, and storing a crop. "Produce" includes preparing the soil for planting and nurturing the crop by the application of fertilizers or soil conditioners as defined in [state inserts reference to fertilizer statute] or pesticides as defined in [state inserts reference to pesticide statute].
- u. "Producer" means a person who produces a commodity, including but not limited to, a contract producer. "Producer" does not include a commercial fertilizer or pesticide applicator, a feed supplier, or a veterinarian, when acting in such capacity.
- v. "Production contract" means an oral or written agreement that provides for the production of a commodity or the provision of management services relating to the production of a commodity by a contract producer. A production contract is executed when it is signed or orally agreed to by each party to the contract or by a person authorized to act on the party's behalf.

Section 2. Production Contracts Governed by this Act. This Act applies to production contracts that relate to the production of a commodity owned by an active contractor and produced by a contract producer at the contract producer's contract operation, if one of the following applies:

- a. Contract with Active Contractor. The production contract is executed by an active contractor and a contract producer for the production of the commodity.
- b. Contract with Active Contractor and Passive Contractor. The production contract is executed by an active contractor and a passive contractor for the provision of management services to the contract producer in the production of the commodity.
- c. Contract with Passive Contractor. The production contract is executed by a passive contractor and a contract producer, if all of the following apply:
 - (1) The contract provides for management services furnished by the passive contractor to the contract producer in the production of the commodity.
 - (2) The passive contractor has a contractual relationship with the active contractor involving the production of the commodity.

Section 3. Implied Obligation of Good Faith. An agricultural contract imposes an obligation of good faith, as defined in section 1-201 of the Uniform Commercial Code, on all parties with respect to the performance and enforcement of the agricultural contract.

Section 4. Disclosure of Risks and Readability.

a. Disclosure Statement. An agricultural contract must be accompanied by a clear written disclosure statement setting forth the nature of the material risks faced by the producer if the producer enters into the contract. The statement must meet the readability requirements of subsection (b). The statement may be in the form of a written statement or checklist and may be developed in cooperation with producers or producer organizations. The statement shall disclose the following:

- (1) in the case of production contracts, the producer's right to review as provided in section 5.
- (2) contract duration;
- (3) contract termination;
- (4) renegotiation standards;
- (5) responsibility for environmental damage;
- (6) factors to be used in determining payment;
- (7) responsibility for obtaining and complying with local, state, federal permits;

(8) any other contract term which the [commissioner/secretary/attorney general] determines is appropriate for disclosure.

b. Readability of Contracts.

(1) Definition. As used in this subsection, "*legible type*" means a typeface at least as large as ten-point modern type, one-point leaded.

(2) *Cover Sheet Requirements.*

(a) Mandatory Cover Page. An agricultural contract entered into, amended, or renewed after the effective date of this Act must contain as the first page, or first page of text if it is preceded by a title page or pages, a cover sheet as provided in this section.

(b) Requirements. The cover sheet or sheets must comply with paragraph 3 and must contain the following [sic] all of the following:

- i. A brief statement that the document is a legal contract between the parties.
- ii. The statement "READ YOUR CONTRACT CAREFULLY. This cover sheet provides only a brief summary of your contract. This is not the contract and only the terms of the actual contract are legally binding. The contract itself sets forth, in detail, the rights and obligations of both you and the contractor or processor. IT IS THEREFORE IMPORTANT THAT YOU READ YOUR CONTRACT CAREFULLY."
- iii. The written disclosure of risks required by subsection (a).
- iv. A statement detailing, in plain language, the producer's right to review the contract as described in section 5.
- v. An index of the major provisions of the contract and the pages on which they are found, including all of the following:
 - (i) The names of all parties to the contract.
 - (ii) The definition sections of the contract.
 - (iii) The provisions governing termination, cancellation, renewal, and amendment of the contract by either party.
 - (iv) The duties or obligations of each party.
 - (v) Any provisions subject to change in the contract.

(3) *Contract Format and Plain Language.* An agricultural contract must be in legible type, appropriately divided and captioned by its various sections, and written in clear and coherent language using words and grammar that are understandable by a person of

average intelligence, education, and experience within the industry. This paragraph does not apply to the following terms in an agricultural contract:

- (a) **Legally Required.** Particular words, phrases, provisions, or forms of agreement specifically required, recommended, or endorsed by a state or federal statute, rule or regulation.
- (b) **Customarily Used Terms.** Technical terms used to describe the services or property which are the subject of the contract, if the terms are customarily used by producers in the ordinary course of business in connection with the services or property being described.

c. Review by [Commissioner/Secretary/Attorney General]

(1) *Process of Review.* A contractor or processor may submit an agricultural contract to the [commissioner/secretary/attorney general] for review as to whether it complies with this section. After reviewing the contract, the [commissioner, secretary/attorney general] shall do one of the following:

- (a) Certify that the contract complies with this section.
- (b) Decline to certify that the contract complies with this section and note objections.
- (c) Decline to review the contract because the contract's compliance with this section is subject to pending litigation.
- (d) Decline to review the contract because the contract is not subject to this section.

(2) *Factors in Determining Readability.* In determining whether an agricultural contract or cover sheet is readable within the meaning of subsection b, the [commissioner/secretary/attorney general] shall consider at least the following factors:

- (a) The simplicity of the sentence structure.
- (b) The extent to which commonly used and understood words are employed.
- (c) The extent to which esoteric legal terms are avoided.
- (d) The extent to which references to other sections or provisions of the contract are minimized.
- (e) The Flesch scale analysis readability score as outlined in [state inserts reference].
- (f) The extent to which clear definitions are used in the text of the contract.
- (g) Additional factors relevant to the readability or understandability of the contract.

(3) *Process Not Reviewable.* Actions of the [commissioner/secretary/attorney general] under this subsection are not subject to judicial review.

(4) *Limited Effect of Certification.* A contract certified under this subsection is deemed to comply with subsections (a) and (b). Certification of a contract under this subsection does not constitute an approval of the contract's legality or legal effect. If the [commissioner/secretary/attorney general] certifies a contract or fails to respond within 30 days of receipt of the contract, then the contractor or processor will have complied with this subsections (a) and (b) and the remedies stated in paragraph (6) and section 12 [sic; likely should be 13] are not available.

(5) *Review Not Required.* Failure to submit a contract to the [commissioner/secretary/attorney general] for review under this subsection does not show a lack of good faith or raise a presumption that the contract violates this section.

(6) *Reformation by Court.*

(a) Change Terms. In addition to the remedies provided in section 12 [sic; likely should be 13], a court reviewing an agricultural contract may change the terms of the contract or limit a provision to avoid an unfair result if the court finds all of the following:

- i. A material provision of the contract violates subsection (a) or (b).
- ii. The violation caused the producer to be substantially confused about any of the rights, obligations, or remedies of the contract.
- iii. The violation has caused or is likely to cause financial detriment to the producer.

(b) Avoid Unjust Enrichment. If the court reforms or limits a provision of an agricultural contract, the court shall also make orders necessary to avoid unjust enrichment. Bringing a claim for relief under this paragraph does not entitle a producer to withhold performance of an otherwise valid contractual obligation. No relief may be granted under this paragraph unless the claim is brought before the obligations of the contract have been fully performed.

(7) *Limits on Remedies.*

(a) Penalties. In a proceeding in which civil penalties are claimed from a party for a violation of this section, it is a defense to the claim that the party made a good faith and reasonable effort to comply.

(b) Attorneys' Fees. Notwithstanding section 12 [sic; likely should be 13], a party who has made a good faith and reasonable effort to comply with this section may not be assessed attorney's fees or costs of investigation in an action for violating this section.

(8) *Limits on Producer Actions.* Violation of this section is not a defense to a claim arising from a producer's breach of an agricultural contract. A producer may recover actual

damages caused by a violation of this section only if the violation caused the producer to not understand the rights, obligations, or remedies of the contract.

(9) *Statute of Limitations.* A claim that an agricultural contract violates this section must be raised within 6 years of the date the contract is executed by the producer.

Section 5. Contract Producer's Three Day Right to Review. A contract producer may cancel a production contract by mailing a written cancellation notice to the contractor within three business days after the contract is executed, or before a later cancellation deadline if a later deadline is specified in the contract. The contract producer's right to cancel, the method by which the contract producer may cancel, and the deadline for canceling the production contract shall be clearly disclosed in every production contract.

Section 6. Confidentiality Provisions Prohibited.

a. Prohibition. A contractor or processor shall not on or after the effective date of this Act, enforce a provision in an agricultural contract if the provision provides that information contained in the agricultural contract is confidential.

b. Confidentiality Provisions Void. A provision which is part of an agricultural contract is void if the provision states that information contained in the agricultural contract is confidential. The confidentiality provision is void whether the confidentiality provision is express or implied; oral or written; required or conditional; contained in the agricultural contract, another agricultural contract, or in a related document, policy, or agreement. This section does not affect other provisions of an agricultural contract or a related document, policy, or agreement which can be given effect without the voided provision. This section does not require a party to an agricultural contract to divulge information in the agricultural contract to another person.

Section 7. Production Contract Lien.

a. Applicability of Section. A lien established under this section depends upon the execution of a production contract that provides for producing a commodity owned by a contractor by a contract producer at the contract producer's contract operation.

b. Establishment of Lien - Priority. A contract producer who is a party to a production contract shall have a lien as provided in this section. The amount of the lien shall be the amount owed to the contract producer pursuant to the terms of the production contract, which may be enforced as provided in subsection (d).

(1)(a) *Livestock and Raw Milk.* If the production contract is for the production of livestock or raw milk, all of the following shall apply:

i. Livestock. For livestock, the lien shall apply to all of the following:

(i) If the livestock is not sold or slaughtered by the contractor, the lien shall be on the livestock.

(ii) If the livestock is sold by the contractor, the lien shall be on cash proceeds from the sale. For purposes of this subparagraph, cash held by the contractor shall be deemed to be cash proceeds from the sale regardless of whether it is identifiable cash proceeds.

(iii) If the livestock is slaughtered by the contractor, the lien shall be on any property of the contractor that may be subject to a security interest as provided in section 9-102 of the Uniform Commercial Code.

ii. Raw Milk. For raw milk, the lien shall apply to all of the following:

(i) Milk Not Sold. If the raw milk is not sold or processed by the contractor, the lien shall be on the raw milk.

(ii) Milk is Sold. If the raw milk is sold by the contractor, the lien shall be on cash proceeds from the sale. For purposes of this subparagraph, cash held by the contractor shall be deemed to be cash proceeds from the sale regardless of whether it is identifiable cash proceeds.

(iii) Milk Processed. If the raw milk is processed by the contractor, the lien shall be on any property of the contractor that may be subject to a security interest as provided in section 9-102 of the Uniform Commercial Code.

(b) *Duration of Lien.* The lien on livestock or raw milk is created at the time the livestock arrives at the contract livestock facility and continues for one year after the livestock is no longer under the authority of the contract producer. For the purposes of this section, livestock is no longer under the authority of the contract producer when the livestock leaves the contract livestock facility.

(2)(a) *Crops.* If the production contract is for the production of crops, all of the following shall apply:

i. Crop Not Sold. If the crop is not sold or processed by the contractor, the lien shall be on the crop.

ii. Crop Sold. If the crop is sold by the contractor, the lien shall be on cash proceeds from the sale. For purposes of this subparagraph, cash held by the contractor shall be deemed to be cash proceeds from the sale regardless of whether it is identifiable cash proceeds.

iii. Crop Processed. If the crop is processed by the contractor, the lien shall be on any property of the contractor that may be subject to a security interest as provided in section 9-102 of the Uniform Commercial Code

(b) *Duration of Lien.* The lien on a crop is created at the time the crop is planted and continues for one year after the crop is no longer under the authority of the contract producer. For purposes of this section, a crop is no longer under the authority of the

contract producer when the crop or a warehouse receipt issued by a warehouse operator licensed under [state inserts statutory reference] for grain from the crop is no longer under the custody or control of the contract producer.

c. Preserving the Lien -- Filing Requirements.

(1) *Filing Lien Statement.* In order to preserve a lien created pursuant to this section, a contract producer must file in the office of the Secretary of State a lien statement on a form prescribed by the secretary of state. If the lien arises out of producing livestock or raw milk, the contract producer must file the lien within 45 days after the day that the livestock first arrives at the contract livestock facility. If the lien arises out of producing a crop, the contract producer must file the lien within 45 days after the day that the crop is first planted. The Secretary of State shall charge a fee of not more than \$10.00 for filing the statement. The Secretary of State may adopt rules pursuant to [state's administrative procedure law] for the electronic filing of the statements.

(2) *Contents of Lien Statement.* The statement must include all of the following:

- (a) An estimate of the amount owed pursuant to the production contract.
- (b) The date when the livestock arrives at the contract livestock facility or the date when the crop was planted.
- (c) The estimated duration of the period when the commodity will be under the authority of the contract producer.
- (d) The name of the party to the production contract whose commodity is produced pursuant to the production contract.
- (e) The description of the location of the contract operation, by county and township.
- (f) The printed name and signature of the person filing the form.

(3) *Priority of Lien.* Except as provided in [state may insert reference to veterinarian's lien], a lien created under this section until preserved and a lien preserved under this section are superior to and shall have priority over a conflicting lien or security interest in the commodity, including a lien or security interest that was perfected prior to the creation of the lien under this section.

d. Enforcement. Before a commodity leaves the authority of the contract producer as provided in subsection (b), the contract producer may foreclose a lien created in that subsection in the manner provided for the foreclosure of secured transactions in sections 9-504, 9-506, and 9-507 of the Uniform Commercial Code. After the commodity is no longer under the authority of the contract producer, the contract producer may enforce the lien in the manner provided in article 9, part 5 of the Uniform Commercial Code.

Section 8. Production Contracts Involving Investment Requirements.

a. Applicability. This section only applies to a production contract executed by a contract producer and a contractor, if the contract producer must make capital investments of \$100,000 or more according to investment requirements provided in all production contracts in which the contract producer and the contractor are parties. The value of the capital investments shall be deemed to be the total dollar amount spent by the contract producer in satisfying the investment requirements, if that amount is ascertainable.

b. Restrictions on Contract Termination. Except as provided in subsection (d), a contractor shall not terminate, cancel, or fail to renew a production contract until the contractor has done the following:

(1) *Notice.* The contractor has provided the contract producer written notice of the intention to terminate, cancel, or not renew at least 90 days before the effective date of the termination, cancellation, or nonrenewal.

(2) *Damages.* The contract producer has been reimbursed for damages incurred due to the termination, cancellation, or failure to renew. Damages shall be based on the value of the remaining useful life of the structures, machinery or equipment involved.

c. Breach of Investment Requirements. Except as provided in subsection (d), if a contract producer materially breaches a production contract, including the investment requirements of a production contract, a contractor may not terminate, cancel, or fail to renew the production contract until the following have occurred:

(1) *Notice.* The contractor has provided a written notice of termination, cancellation, or nonrenewal at least 45 days before the effective date of such termination, cancellation, or nonrenewal. The notice must provide a list of complaints alleging causes for the breach.

(2) *Failure to Remedy.* The contract producer fails to remedy each cause of the breach as alleged in the list of complaints provided in the notice within 30 days following receipt of the notice. An effort by a contract producer to remedy a cause of an alleged breach shall not be construed as an admission of a breach in a civil cause of action.

d. Exceptions. A contractor may terminate, cancel, or fail to renew a production contract without notice or remedy as required in subsections (b) and (c) if the basis for the termination, cancellation, or nonrenewal is any of the following:

(1) *Abandonment.* A voluntary abandonment of the contractual relationship by the contract producer. A complete failure of a contract producer's performance under a production contract shall be deemed to be abandonment.

(2) *Fraud Conviction.* The conviction of a contract producer of an offense of fraud or theft committed against the contractor.

e. Penalty. If a contractor terminates, cancels, or fails to renew a production contract other than provided in this section, the contractor shall pay the contract producer the value of the remaining useful life of the structures, machinery, or equipment involved.

Section 9. Unfair Practices.

a. Definitions. As used in this section:

(1) "*Contract input*" means a commodity or an organic or synthetic substance or compound that is used to produce a commodity including but not limited to any or the following:

- (a) Livestock or plants.
- (b) Agricultural seeds. [State may want to reference additional definition.]
- (c) Semen or eggs for breeding livestock.
- (d) A fertilizer or pesticide. [State may want to reference additional definitions.]

(2) "*Producer right*" means one of the following legal rights and protections:

- (a) Right to Join Association. The right of a producer to join or belong to, or to refrain from joining or belonging to, an association of producers.
- (b) Right to Contract. The right of a producer to enter into a membership agreement or marketing contract with an association of producers, a processor, or another producer and the right of the producer to exercise contractual rights under such a membership agreement or marketing contract.
- (c) Right to be a Whistleblower. The right of a producer to lawfully provide statements or information (including to the United States Secretary of Agriculture or to a law enforcement agency) regarding alleged improper actions or violations of law by a contractor or processor. This right does not include the right to make statements or provide information if the statements or information are determined to be libelous or slanderous.
- (d) Right to Use Contract Producer Lien. The right of a producer to file, continue, terminate, or enforce a lien under section 7.
- (e) Right to Review Production Contracts. The right of a contract producer to utilize protections to review production contracts under section 5.
- (f) Right to Disclose Contractual Terms. The right of a producer to disclose the terms of agricultural contracts under section 6.
- (g) Right to Exercise Other Protections. The right of a producer to enforce other protections afforded by this Act or other laws or regulations.

b. Unfair Practices. It shall be unlawful for any contractor or processor knowingly to engage or permit any employee or agent to engage in the following practices in connection with agricultural contracts:

(1) *Retaliation.* To take actions to coerce, intimidate, disadvantage, retaliate against, or discriminate against any producer because the producer exercises, or attempts to exercise, any producer right, including actions affecting the following:

- (a) The execution, termination, extension, or renewal of an agricultural contract.
- (b) The treatment of a producer, which may include providing discriminatory or preferential terms in an agricultural contract or interpreting terms of an existing agricultural contract in a discriminatory or preferential manner. The terms may relate to the price paid for a commodity; the quality or the quantity of a commodity demanded; or financing, including investment requirements.
- (c) The grant of a reward or imposition of a penalty, including the denial of a reward. The reward or penalty may be in any form, including but not limited to, financial rewards or penalties. Financial rewards or penalties may relate to loans, bonuses, or inducements.
- (d) Alter the quality, quantity, or delivery times of contract inputs provided to the producer.

(2) *False Information.* To provide false information to the producer, which may include false information relating to any of the following.

- (a) A producer with whom the producer associates or an association of producers or an agricultural organization with which the producer is affiliated, including but not limited to any of the following:
 - i. The character of the producer.
 - ii. The condition of the finances or the management of the association of producers or agricultural organization
- (b) Producer rights provided by this Act or other provisions of law.

(3) *Compensation Information.* To refuse to provide to a contract producer upon request the statistical information and data used to determine compensation paid to the contract producer under a production contract, including, but not limited to, feed conversion rates, feed analyses, origination and breeder history

(4) *Observation of Weighing.* To refuse to allow a contract producer or the contract producer's designated representative to observe, by actual observation at the time of weighing, the weights and measures used to determine the contract producer's compensation under a production contract.

(5) *"Tournament" Compensation.* To use the performance of any other contract producer to determine the compensation of a contract producer under a production contract or as the basis of the termination, cancellation, or renewal of a production contract.

(6) *Additional Capital Investments.* To require a contract producer to make new or additional capital investments in connection with, or to retain, continue, or renew, a production contract which are beyond the investment requirements of such production contract. It shall not be a violation of this section if such new or additional capital investments are partially paid for by the contractor, or offset by other compensation or modifications to contract terms, in a manner the contract producer agrees to in writing as constituting acceptable and satisfactory consideration for the new capital investment.

(7) *Disclosure of Risks and Readability.* To execute an agricultural contract in violation of the disclosure of risks and readability requirements of section 4.

(8) *Confidentiality Provisions.* To execute an agricultural contract which includes a confidentiality provision in violation of section 6.

(9) *Mediation Provisions.* To execute an agricultural contract without a mediation provision as required under section 13. [sic; should be 12]

(10) *Waivers.* To execute an agricultural contract which includes a waiver of any producer right or any obligation of a contractor or processor established under this Act.

(11) *Choice of Law.* To execute an agricultural contract requiring the application of the law of another state in lieu of this Act.

Section 10. Waivers Unenforceable. Any provision of an agricultural contract which waives a producer right or an obligation of a contractor or processor established by this Act is void and unenforceable. This section does not affect other provisions of an agricultural contract, including an agricultural contract or related document, policy, or agreement which can be given effect without the voided provision.

Section 11. Choice of Law. Any condition, stipulation, or provision requiring the application of the law of another state in lieu of this Act is void and unenforceable.

Section 12. Mediation. An agricultural contract must contain language providing for resolution of disputes concerning the contract by mediation. If there is a dispute involving an agricultural contract, either party may make a written request to the [state inserts name of mediation service] for mediation services as specified in the contract, to facilitate resolution of the dispute. [The parties must receive a release from the [mediation service] before the dispute can be heard by a court.]

Section 13. Penalties and Enforcement.

a. Civil Penalties. A contractor or processor committing an unfair practice under section 9 shall be subject to a civil penalty of up to [???].

b. Criminal Penalties. A contractor or processor committing an unfair practice under section 9 shall be guilty of a simple misdemeanor and shall be fined [????].

c. Private Cause of Action. A producer who suffers damages because of a contractor's or processor's violation of this Act may obtain appropriate legal and equitable relief, including damages, as a suit in common law pursuant to [state's name] rules of civil procedure.

(1) *Attorneys Fees.* In such a civil action against the contractor or processor, the court shall award the producer who is the prevailing party reasonable attorney fees and other litigation expenses.

(2) *Injunctive Relief.* In order to obtain injunctive relief, the producer is not required to post a bond, prove the absence of an adequate remedy at law, or show the existence of special circumstances, unless the court for good cause otherwise orders. The court may order any form of prohibitory or mandatory relief that is appropriate under principles of equity, including but not limited to issuing a temporary or permanent restraining order.

d. Enforcement by Attorney General. The Attorney General's office is the agency primarily responsible for enforcing this Act. In enforcing the provisions of this Act, the Attorney General may do all of the following:

(1) *Injunctions.* Apply to the district court for an injunction to do any of the following:

(a) Restrain a contractor or processor from engaging in conduct or practices in violation of this Act.

(b) Require a contractor or processor to comply with a provision of this Act.

(2) *Subpoenas.* Apply to district court for the issuance of a subpoena to obtain an agricultural contract for purposes of enforcing this chapter.

(3) *Penalties.* Bring an action in district court to enforce penalties provided in subsections (a) and (b).

Section 14. Rulemaking. The [commissioner/secretary/attorney general] may adopt rules under [the state's administrative procedures law] to implement this Act.

Section 15. Applicability of Act.

a. General Rule. Except as provided in subsection (b), this Act applies to agricultural contracts in force on or after the date of the enactment of this Act, regardless of the date the agricultural contract is executed.

b. Exceptions. Section 4 (relating to disclosure of risks and readability), section 5 (relating to contract producer's three day right to review), section 8 (relating to production contracts involving investment requirements), section 9(b)(5) (relating to the use of "tournament compensation"), section 11 (relating to choice of law), and section 12 (relating to mediation)

shall apply to agricultural contracts executed or substantively amended after the date of the enactment of this Act.