1	DEALERS IN AGRICULTURAL PRODUCTS		
2	2003 GENERAL SESSION		
3	STATE OF UTAH		
4	Sponsor: Craig W. Buttars		
5 6	Eli H. Anderson James R. Gowans Peggy Wallace Glenn A. Donnelson Darin G. Peterson		
7	This act modifies the Agricultural Product Dealer's Act by requiring the issuance of a		
8	Product of Agriculture Receipt to a producer by a dealer who receives a product of		
9	agriculture for sale, storage, or consignment from the producer.		
10	This act affects sections of Utah Code Annotated 1953 as follows:		
11	AMENDS:		
12	4-7-3, as last amended by Chapter 298, Laws of Utah 1999		
13	4-7-9, as last amended by Chapter 25, Laws of Utah 1990		
14	Be it enacted by the Legislature of the state of Utah:		
15	Section 1. Section 4-7-3 is amended to read:		
16	4-7-3. Definitions.		
17	As used in this chapter:		
18	(1) "Agent" or "broker" means any person who, on behalf of a dealer, purchaser, or		
19	livestock market, as defined in Section 4-30-1, solicits or negotiates the consignment or		
20	purchase of any product of agriculture.		
21	(2) "Consignor" means any person who ships or delivers any product of agriculture to a		
22	dealer for storage, handling, or sale.		
23	(3) (a) "Dealer" means any person who:		
24	(i) receives any product of agriculture from any person for sale or storage on		
25	commission; and		
26	(ii) is entrusted with the possession, management, control, or disposal of any product		
27	of agriculture for the account of that person.		



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28	(b) "Dealer" includes a livestock dealer.
29	(c) "Dealer" includes a person who owns or leases a warehouse.
30	(4) (a) "Immediate resale" means the resale of livestock within 60 days of purchase.
31	(b) "Immediate resale" does not include the resale of livestock culled within 60 days
32	that were purchased for feeding or replacement.
33	(5) "Livestock" means cattle, swine, equines, sheep, camelidae, ratites, bison, and
34	domesticated elk as defined in Section 4-39-102.
35	(6) "Livestock dealer" means a person engaged in the business of purchasing livestock
36	for immediate resale or interstate shipment for immediate resale.
37	(7) "Producer" means any person who is primarily engaged in the business of raising
38	any product of agriculture for profit.
39	(8) "Product of agriculture" means any product useful to the human species which
40	results from the application of the science and art of the production of plants and animals.
41	(9) "Product of Agriculture Receipt" means a formal document issued by a dealer for
42	any product of agriculture in accordance with Section 4-7-9. The receipt is a fungible
43	certificate of title and claim for the product of agriculture and may be used as cash or collateral.
44	(10) "Warehouse" means every building, structure, yard, or other protected enclosure in
45	which any product of agriculture is or may be stored.
46	Section 2. Section 4-7-9 is amended to read:
47	4-7-9. Dealers Records mandated Product of Agriculture Receipt Records
48	subject to inspection.
49	(1) Each dealer who receives any product of agriculture for sale, storage, or
50	consignment shall promptly record:
51	(a) the name and address of the consignor;
52	(b) the date received;
53	(c) the condition and quantity upon arrival;
54	(d) the date of sale for account of the producer-consignor;
55	(e) the sale price;
56	(f) an itemized statement of the charges to be paid by the producer-consignor;
57	(g) the lot number or other means used for identification of the product;
58	(h) the nature and amount of any claims the dealer has against third persons for

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59 overcharges or damages; and

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- (i) if the dealer has a direct or indirect financial interest in the business of the
 purchaser, or, if the purchaser has a similar financial interest in the business of the dealer, the
 name and address of the purchaser.
 - (2) (a) The dealer shall provide a copy of the Product of Agriculture Receipt to the producer immediately upon delivery of the product.
 - (b) The records required by this section shall be retained for a period of one year following the date of consignment and shall be available during business hours for inspection by the department.
 - [(b)] (c) A consignor involved in a consignment subject to inquiry may inspect relevant records.

Legislative Review Note as of 11-20-02 4:26 PM

A limited legal review of this legislation raises no obvious constitutional or statutory concerns.

Office of Legislative Research and General Counsel

Interim Committee Note as of 12-12-02 3:36 PM

The Natural Resources, Agriculture, and Environment Interim Committee recommended this bill.

Mixed Membership Committee Note as of 12-12-02 3:36 PM

The Agricultural Sustainability Task Force recommended this bill.

Membership: 12 legislators 9 non-legislators

Legislative Vote: 9 voting for 0 voting against 3 absent

Fiscal Not	te
Bill Number	HB0018

Dealers in Agricultural Products

02-Jan-03 11:09 AM

State Impact

No fiscal impact.

Individual and Business Impact

By broadening the definition of "dealer," this bill may require some entities to be licensed that did not previously have that requirement. Dealers may incur some additional costs in issuing Product of Agricultural Receipts.

Office of the Legislative Fiscal Analyst