

Chapter 585

Produce Dealers

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CROSS REFERENCES

Administrative orders of state agencies, Ch. 183
State agencies generally, Ch. 182
585.130
Consigned property, disposal of when unclaimed,
98.110 to 98.240
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Department of Justice to supervise all legal proceedings in which state is interested, 180.220

585.190
Expenditures without allotment prohibited in certain cases, 291.238
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585.010 Definitions. As used in this chapter, unless the context requires otherwise:

(1) "Department" means the State Department of Agriculture.

(2) "Grower" means any person engaged in the business of growing or producing any produce and includes any cooperative organization composed exclusively of growers and handling exclusively the produce of its own members and operating under and by virtue of the laws of this state or of any other state or of the United States.

(3) "Produce" means fruits and vegetables, and walnuts and filberts in the shell, but it does not include fruits and vegetables purchased for the purpose of reselling them canned, dried, frozen or in other preserved or concentrated form or for manufacturing into a product or by-product in which the individuality of the individual specimens of such fruit and vegetables is lost, if such fruits and vegetables are actually so used.

(4) "Retail produce peddler" means any person who sells or offers for sale or exposes for sale produce which he has not grown or produced, from any vehicle at any dwelling house, restaurant, eating house, hotel or any other public or private place where food is prepared for consumption and not resold in its original form and condition, and any person who sells to or offers for sale to the general public any produce, which he has not grown or produced, from a vehicle in any place within this state; but this definition does not apply to any person who carries on such produce business, only upon private property with the consent of the owner or person entitled to the legal possession thereof.

(5) "Wholesale produce dealer" means any person who deals in, handles or trades in produce and who does not operate exclusively as a grower, retailer or warehouseman; but this definition does not include any person who, at the time of obtaining possession or control of any produce, pays the full agreed price therefor in cash and does not resell the produce within this state.

585.020 Licenses required for produce dealers and peddlers. No person shall engage or continue in business as a wholesale produce dealer, or as a retail produce peddler, unless he has first made written application for and obtained from the department a license so to do, and has paid the license fees required by ORS 585.050.

585.030 Application for license; designating agent for service of process. (1) Applications for licenses shall be filed with the department. Applications shall be made on forms furnished by the department and shall contain such information as the department requires for the enforcement of this chapter.

(2) In addition to the other information the department requires, the applicant shall designate a person or persons in Oregon, together with the residence or business address of such person or persons, upon whom service of summons or any other legal process or notice can be made in suits or acts against the applicant brought in Oregon or for the service of notices required under this chapter.

(3) Fraud or misrepresentation in making any application is sufficient grounds for the department to refuse to issue any license or to revoke any license issued under this chapter.

585.040 Issuance of license; when license expires. Upon the filing of the application and the payment of appropriate fees, the department shall, if it is satisfied that the applicant is entitled thereto, issue to the applicant a license to conduct the business of wholesale produce dealer, or retail produce peddler, as the case may be. The licenses shall be printed in the form the department prescribes and shall expire on March 31 of each year.

585.050 License fees. Applicants for licenses shall pay to the department fees as follows:

(1) Every wholesale produce dealer shall pay \$50 and, in addition, he shall pay a fee of \$2.50 for each motor vehicle used by him in his business to transport produce; but no motor vehicle shall be licensed under the \$2.50 license fee unless the vehicle is registered and licensed by the Secretary of State of Oregon, or by the motor licensing agency of another state, in the name of such wholesale produce dealer. If any wholesale produce dealer carries on such business at more than one establishment, location or place of business within this state, then a separate application shall be made and a separate license issued and an additional \$50 fee paid for each separate establishment, location or place of business.

(2) Every retail produce peddler shall pay \$10, which fee entitles him to the use

in the retail produce business of one vehicle and, in addition, he shall pay an additional \$10 for each additional vehicle so used; but no motor vehicle shall be licensed under the \$10 license fee unless the vehicle is registered and licensed by the Secretary of State of Oregon.

585.060 Refusal, suspension or revocation of licenses. (1) The department may refuse to grant a license, and may revoke or suspend any license, as the case may require, when it is satisfied of the existence of any of the following facts:

(a) That fraudulent charges or returns have been made by the applicant or licensee for the handling, sale or storage of, or for rendering any service in connection with the handling, sale or storage of, any produce.

(b) That the applicant or licensee has failed or refused to render a true account of sales, or to make a settlement thereon, or to pay for produce received, within the time and in the manner required by this chapter.

(c) That the applicant or licensee has made any false statement as to the condition, quality or quantity of produce received, handled, sold or stored by him.

(d) That the applicant or licensee, directly or indirectly, has purchased for his or its own account produce received by him, or it, upon consignment without prior authority from the consignor, together with price fixed by consignor, or without promptly notifying the consignor of such purchase; but this does not prevent any wholesale produce dealer, selling produce on commission, from taking to account of sales, **in order to close the day's business**, miscellaneous lots or parcels of produce remaining unsold, if such wholesale produce dealer forthwith enters such transaction on his account of sales.

(e) That the applicant or licensee has made fictitious sales or has been guilty of collusion to defraud any grower of produce.

(f) That any wholesale produce dealer to whom any consignment is made had re-consigned such consignment to another wholesale produce dealer for the purpose of receiving, collecting or charging by such means more than one commission for making the sale therefor for the consignor, unless by the consent of the consignor.

(g) That the licensee was intentionally guilty of fraud or deception in the procurement of the license.

(h) That the licensee or applicant has failed or refused to file with the department a schedule of his charges for services in connection with produce handled on account of or as an agent of another.

(i) That the licensee has violated any provision of this chapter.

(2) The provisions of ORS 561.310 to 561.390, pertaining to the revocation, suspension or refusal to issue licenses, apply to this section.

585.070 Publication of list of licensees. The department may publish in pamphlet form, or in any other manner at such times as it deems advisable, a list of all persons licensed under this chapter. The list may include a list of all persons whose licenses have been refused, revoked or suspended under this chapter.

585.080 Plates required for vehicles; other indicia of possession of license. (1) The department shall issue license plates to be attached to all vehicles used in his business by any licensed wholesale produce dealer or retail produce peddler. The license plates shall be made in the form and manner prescribed by the department, and shall be issued for the number of vehicles to be used by the applicant in the produce business and for which application has been made and a fee paid as provided in this chapter. Every licensee shall keep the department informed of all motor vehicles used by him in his business and of the number of the ownership certificate applying to each motor vehicle and he shall notify the department of all changes in ownership of any such motor vehicle. In case of a decrease in the number of vehicles for which he is entitled to use license plates, all excess plates shall immediately be returned to the department. The returned plates shall be retained by the department until the end of the license period and may be resposessed by the licensee upon proof that he is again entitled to use them.

(2) All license plates and all other indicia of the possession of a license are at all times the property of the State of Oregon. Each licensee is entitled to the possession thereof only for the duration of his license, and the department may take possession of the plates or other indicia on the expiration, suspension or revocation thereof. Any refusal by a person in possession of such plates or other indicia to return the same

to the department, upon the termination or suspension of the license under which they were issued, is a violation of this chapter.

(3) No person shall operate any vehicle in the conduct of his business as a wholesale produce dealer or as a retail produce peddler, unless the license plates provided for in this section are attached to the rear of the vehicle in plain sight and kept clean and readable.

585.090 Unlawful use of license certificate or plates. No licensee under this chapter shall loan or permit any other person to have in his possession or to use any license certificate or plate issued to such licensee by the department. No person shall carry, exhibit or use in any manner any license certificate or plate, provided for by this chapter, which has not lawfully been issued to such person, or after his license has expired.

585.100 Questioning of person transporting produce. Every operator or owner of any vehicle transporting produce on any street or public highway within this state shall, upon request of any officer, employee or deputy of the department, or upon request of any state, county or local police officer, answer any questions concerning any produce being transported, and, if requested, shall sign a statement covering his answers.

585.110 Record to be kept by wholesale dealer for purchases on credit. Every wholesale produce dealer, upon buying on credit any produce from any grower, shall promptly make and keep a correct record showing in detail the following with reference to the handling or sale of such produce:

- (1) Name and address of grower.
- (2) Date produce is received, and the amount thereof.
- (3) Condition of the produce upon receipt of it by such person.

585.120 Record to be kept by wholesale dealer for commission sales. (1) Every wholesale produce dealer, having received any produce from a grower thereof for sale upon a commission basis, shall promptly make and keep a correct record showing in detail the following with reference to the handling, sale or storage of the produce:

- (a) Name and address of consignor.
- (b) Date received and the amount thereof.
- (c) Grade and condition upon arrival.

(d) Date of such sale for account of consignor. Such records shall be open to inspection by the department at any time.

(e) Price for which sold.

(f) An itemized statement of the charges to be paid by consignor in connection with the sale.

(g) Each consignment of produce shall be given a lot number or other identifying mark. The number or mark shall appear on all sales tags and on any other essential records needed to show what the produce actually sold for.

(h) A detailed statement shall be kept on file of the filing of any claim or claims which have been or may be filed by such person selling on commission, against any person, for overcharges or for damages resulting from the injury or deterioration of such produce by the act or neglect or failure of such person. Such records shall be open to inspection by the department and by the consignor of produce for whom such claim or claims are made.

(2) Every wholesale produce dealer who sells produce on a commission basis shall retain a copy of all records, including sales tags, account sales, and other records covering each transaction, for a period of one year from the date of the transaction. The copy shall at all times be available for, and open to, the confidential inspection of the department and the interested consignor or any authorized representative of either.

585.130 Statement and remittances to consignor. (1) A copy of records and accounts of sales of produce, together with remittances in full of the amount realized by such sale, less the agreed commission and other charges, shall be delivered to the consignor upon the consummation of the sale, together with all moneys received by him in payment for any consignment of produce, less the agreed commission and other charges, within 10 days after receipt of the moneys by any wholesale produce dealer who has sold produce on a commission basis, unless otherwise agreed in writing. The names and addresses of the purchasers need not be given.

(2) The money returns, if any, collections or damages received by a person handling produce on commission, for and on behalf of a consignor of produce by reason of overcharges, damages or deterioration of the produce by the act or neglect or failure of any person forthwith shall be paid to the

consignor, less charges for collection thereof in accordance with the schedule of charges filed under this chapter.

585.140 Inspection by department to determine condition of produce where dispute; certificate. If there is a dispute or disagreement between a consignor and a wholesale produce dealer, selling on a commission basis, at the time of delivery as to condition, quality, grade, pack, quantity or weight of any lot, shipment or consignment of produce, the department shall furnish, upon the payment of a reasonable fee therefor by the requesting party, a certificate establishing the condition, quality, grade, pack, quantity or weight of the lot, shipment or consignment. The certificate is prima facie evidence in all courts of this state as to the recitals thereof at the time the inspection was made.

585.150 Enforcing chapter; investigation and adjustment of controversies; assignment of claims to director; recovery on claims. (1) The department shall enforce the provisions of this chapter, and to that end the department has the authority granted in this section.

(2) The department may investigate and attempt equitably to adjust controversies between any grower or growers, and any wholesale produce dealer, retail produce peddler, or any person acting or assuming to act in the capacity of any of such persons.

(3) The department may take assignments of claims, arising out of any controversies between the parties named in subsection (2) of this section, in trust for the assigning grower or growers. All such assignments shall run to the Director of Agriculture and his successors in office. The Director of Agriculture may, as assignee of any such claim, sue any of the persons mentioned in subsection (2) of this section or any combination of such persons, and, in case such suit or action is brought by the director, he is entitled to recover, in addition to other costs and disbursements, the sum the court or judge adjudges reasonable as attorney's fees. The director shall not bring a suit or action on any claim until the parties to be sued have been notified of the assignment of claims and have been given a reasonable opportunity to make an equitable adjustment thereof with the department. Any claim so assigned to the director authorizes him to make any adjustment thereof which, in the opinion of the director, is

equitable. The moneys received by the department on any claims so assigned to it shall be paid into the Department of Agriculture Account; and such moneys shall be paid to the assignor after first deducting any costs and expenses incurred by the department in the collection of any such claim, and also after deducting five percent of any sum collected. The five percent deducted shall be used, together with other moneys collected under the provisions of this chapter, to pay the expenses in the administration of this chapter.

(4) The Director of Agriculture may make complaint in a criminal action for any violation of any provision of this chapter which constitutes a crime. The Director of Agriculture shall prosecute all legal proceedings in his official capacity, but in the name of the State of Oregon. He may act through any authorized officer, employee or deputy of the department in any proceeding authorized by this section.

585.160 Records of department prima facie evidence. Copies of records, inspection certificates and certified reports on file in the office of the department are prima facie evidence of the matters therein contained.

585.170 Right of access to vehicles and premises. All authorized officers, employees and deputies of the department shall have, at all times, free and unimpeded access to all places, buildings, yards, warehouses, markets, storage, transportation facilities and vehicles in which any produce is kept, stored, handled or transported.

585.180 Rules and regulations. The department may make, from time to time, all needful rules and regulations for the administration of this chapter, and provide the necessary forms to carry it into effect. The rules and regulations shall be printed in pamphlet form as provided in ORS 561.190.

585.190 Disposition of moneys received; continuing appropriation; disposition of fines. (1) All fees and other moneys collected or received by the department pursuant to the provisions of this chapter shall be paid on or before the tenth day of the month next succeeding the calendar month in which they are received by the department, to the State Treasurer, who shall place the moneys in the General Fund of the state to the credit of the Department of Agriculture Account. All such funds so

received and paid to the State Treasurer, or so much thereof as is necessary, shall be available and constitute a continuing appropriation from the Department of Agriculture Account and shall be used for the purpose of carrying out the provisions of this chapter.

(2) All fines collected pursuant to this chapter shall go into the fruit inspection fund of the county where collected if that county has a fruit inspection fund, otherwise the fines shall go into the general fund of the county.

585.200 Enjoining violations of chapter.

In addition to other penalties and enforcement provisions contained in this chapter, circuit courts hereby are vested with authority, upon petition by the Director of Agriculture, to enjoin any violation or threatened violation of this chapter.

585.210 Prohibited acts. No person who assumes or attempts to act as a wholesale produce dealer or retail produce peddler without a license, and no wholesale produce dealer handling produce upon a commission basis, shall do any of the following:

(1) Impose false charges for handling or services in connection with the account of any grower of such produce.

(2) Fail to account promptly, correctly, fully and properly and to make settlement therefor as provided in this chapter.

(3) Intentionally make any false or misleading statement or statements as to market conditions.

(4) Make fictitious sales or be guilty of collusion to defraud the grower.

(5) Directly or indirectly purchase for his or its own account, produce received by him, or it, upon consignment without prior authority from the consignor, or fail promptly to notify the consignor of such purchases, if any, on his, or its own account; but this subsection shall not be construed to prevent any wholesale produce dealer handling produce upon a commission basis from taking to account of sales, in order to close the day's business, miscellaneous lots or parcels of produce remaining unsold, if such wholesale produce dealer forthwith enters such transaction on his account of sales.

(6) Intentionally make any false statement as to the grade, condition, markings, quality or quantity of produce shipped or packed in any manner.

(7) Violate any other provision of this chapter.

585.220 Department employees have power of peace officers; jurisdiction of courts. Duly authorized employees of the department have the power and authority of peace officers for the purpose of enforcing the provisions of this chapter. Justices of the peace and district courts have concurrent jurisdiction with circuit courts of this state in all proceedings to enforce the provisions of this chapter.

585.990 Penalties. Violation of any provision of this chapter is punishable, upon conviction, by a fine of not less than \$25 nor more than \$1,000, or by confinement in the county jail for not more than one year, or by both.

