

1 **126.59 Contributing vegetable contractors; disqualification. (1)**

2 CONTRIBUTION REQUIRED. A vegetable contractor licensed under s. 126.56 (1) shall pay
3 fund assessments under s. 126.60 unless one of the following applies:

4 (a) The vegetable contractor is disqualified under sub. (2).

5 (b) The vegetable contractor pays cash on delivery under all vegetable
6 procurement contracts.

7 (c) The vegetable contractor is a producer-owned cooperative that procures
8 processing vegetables only from its producer owners.

9 **(1m) VOLUNTARY CONTRIBUTION.** A vegetable contractor who is exempt under
10 sub. (1) (b) or (c) may volunteer to pay fund assessments under s. 126.60.

11 **(2) DISQUALIFIED CONTRACTOR.** (a) A vegetable contractor who is required to file
12 security under s. 126.61 (1) (a) is disqualified from the fund until the department
13 determines that one of the conditions in s. 126.61 (7) (a) 1. or 2. is satisfied.

14 (b) A vegetable contractor is disqualified from the fund if the department
15 denies, suspends, or revokes the vegetable contractor's license.

16 (c) A vegetable contractor is disqualified from the fund, and required to pay
17 cash on delivery under vegetable procurement contracts, if the department issues a
18 written notice disqualifying the vegetable contractor for cause. Cause may include
19 any of the following:

20 1. Failure to pay fund assessments under s. 126.60 when due.

21 2. Failure to file a financial statement under s. 126.58 when due.

22 3. Failure to reimburse the department, within 60 days after the department
23 issues a reimbursement demand under s. 126.73 (1), for the full amount that the
24 department pays to claimants under s. 126.72 (1) because of that vegetable
25 contractor's default.

1 4. Failure to reimburse a bond surety, within 60 days after the bond surety
2 issues a reimbursement demand under s. 126.73 (2), for the full amount that the
3 surety pays to the department under s. 126.72 (2) or (3) for the benefit of claimants
4 affected by that vegetable contractor's default.

5 **(3) PAYMENTS BY DISQUALIFIED VEGETABLE CONTRACTOR.** (a) The department may
6 not return, to a disqualified vegetable contractor, any fund assessments that the
7 vegetable contractor paid as a contributing vegetable contractor.

8 (b) A disqualified vegetable contractor remains liable for any unpaid fund
9 installment under s. 126.60 that became due while the vegetable contractor was a
10 contributing vegetable contractor. A disqualified vegetable contractor is not liable
11 for any fund installment that becomes due after the vegetable contractor is
12 disqualified under sub. (2).

13 **126.60 Contributing vegetable contractors; fund assessments. (1)**

14 **GENERAL.** A contributing vegetable contractor shall pay an annual fund assessment
15 for each license year. The assessment equals \$20 or the sum of the following,
16 whichever is greater, unless the department by rule specifies a different assessment:

17 (a) The vegetable contractor's current ratio assessment. The current ratio
18 assessment for a license year equals the vegetable contractor's current ratio
19 assessment rate under sub. (2) multiplied by the amount reported under s. 126.56
20 (9) (a) in the vegetable contractor's license application for that license year.

21 (b) The vegetable contractor's debt to equity ratio assessment. The debt to
22 equity ratio assessment for a license year equals the vegetable contractor's debt to
23 equity ratio assessment rate under sub. (4) multiplied by the amount reported under
24 s. 126.56 (9) (a) in the vegetable contractor's license application for that license year.

1 (c) The vegetable contractor's deferred contract assessment. The deferred
2 contract assessment for a license year equals the amount, if any, reported under s.
3 126.56 (9) (e) in the vegetable contractor's license application for that license year,
4 multiplied by a deferred vegetable contract assessment rate of 0.0025.

5 (2) CURRENT RATIO ASSESSMENT RATE. A vegetable contractor's current ratio
6 assessment rate is calculated, at the beginning of the license year, as follows:

7 (a) If the vegetable contractor has filed an annual financial statement under
8 s. 126.58 and that financial statement shows a current ratio of at least 1.25 to 1.0,
9 the vegetable contractor's current ratio assessment rate equals the greater of zero
10 or the current ratio assessment factor in sub. (3) (a) multiplied by the following
11 amount:

- 12 1. Subtract 4 from the current ratio.
- 13 2. Divide the amount determined under subd. 1. by 2.
- 14 3. Multiply the amount determined under subd. 2. by negative one.
- 15 4. Raise the amount determined under subd. 3. to the 3rd power.
- 16 5. Subtract 0.65 from the current ratio.
- 17 6. Divide 0.60 by the amount determined under subd. 5.
- 18 7. Raise the amount determined under subd. 6. to the 5th power.
- 19 8. Add the amount determined under subd. 4. to the amount determined under
20 subd. 7.
- 21 9. Add 0.25 to the amount determined under subd. 8.

22 (b) If the vegetable contractor has filed an annual financial statement under
23 s. 126.58 and that financial statement shows a current ratio of less than 1.25 to 1.0,
24 but greater than 1.1 to 1.0, the vegetable contractor's current ratio assessment rate

1 equals the current ratio assessment factor in sub. (3) (b) multiplied by the following
2 amount:

3 1. Subtract 4 from the current ratio.

4 2. Divide the amount determined under subd. 1. by 2.

5 3. Multiply the amount determined under subd. 2. by negative one.

6 4. Raise the amount determined under subd. 3. to the 3rd power.

7 5. Subtract 0.65 from the current ratio.

8 6. Divide 0.60 by the amount determined under subd. 5.

9 7. Raise the amount determined under subd. 6. to the 5th power.

10 8. Add the amount determined under subd. 4. to the amount determined under
11 subd. 7.

12 9. Add 0.25 to the amount determined under subd. 8.

13 (c) If the vegetable contractor has filed an annual financial statement under
14 s. 126.58 and that financial statement shows a current ratio of less than or equal to
15 1.1 to 1.0, the vegetable contractor's current ratio assessment rate equals the current
16 ratio assessment factor in sub. (3) (b) multiplied by 7.512617.

17 (d) If the vegetable contractor has not filed an annual financial statement
18 under s. 126.58, the vegetable contractor's current ratio assessment rate equals the
19 current ratio assessment factor in sub. (3) (b) multiplied by 3.84961.

20 **(3) CURRENT RATIO ASSESSMENT FACTOR.** (a) A vegetable contractor's current
21 ratio assessment factor under sub. (2) (a) is 0.00048, except as follows:

22 1. For the vegetable contractor's 4th and 5th consecutive full license years as
23 a contributing vegetable contractor, the vegetable contractor's current ratio
24 assessment factor is 0.00029.

1 2. For the vegetable contractor's 6th or higher consecutive full license year as
2 a contributing vegetable contractor, the vegetable contractor's current ratio
3 assessment factor is zero.

4 (b) A vegetable contractor's current ratio assessment factor under sub. (2) (b)
5 to (d) is 0.00072, except as follows:

6 1. For the vegetable contractor's 4th and 5th consecutive full license years as
7 a contributing vegetable contractor, the vegetable contractor's current ratio
8 assessment factor is 0.00058.

9 2. For the vegetable contractor's 6th or higher consecutive full license year as
10 a contributing vegetable contractor, the vegetable contractor's current ratio
11 assessment factor is 0.00035.

12 (4) DEBT TO EQUITY RATIO ASSESSMENT RATE. A vegetable contractor's debt to
13 equity ratio assessment rate for a license year is calculated, at the beginning of the
14 license year, as follows:

15 (a) If the vegetable contractor has filed an annual financial statement under
16 s. 126.58 and that financial statement shows positive equity and a debt to equity
17 ratio of not more than 4.0 to 1.0, the vegetable contractor's debt to equity ratio
18 assessment rate equals the greater of zero or the debt to equity ratio assessment
19 factor in sub. (5) (a) multiplied by the following amount:

- 20 1. Subtract 4 from the debt to equity ratio.
- 21 2. Divide the amount determined under subd. 1. by 4.
- 22 3. Raise the amount determined under subd. 2. to the 3rd power.
- 23 4. Subtract 1.85 from the debt to equity ratio.
- 24 5. Divide the amount determined under subd. 4. by 2.5.
- 25 6. Raise the amount determined under subd. 5. to the 7th power.

1 7. Add the amount determined under subd. 3. to the amount determined under
2 subd. 6.

3 8. Add one to the amount determined under subd. 7.

4 (b) If the vegetable contractor has filed an annual financial statement under
5 s. 126.58 and that financial statement shows a debt to equity ratio of greater than
6 4.0 to 1.0 but less than 6.0 to 1.0, the vegetable contractor's debt to equity ratio
7 assessment rate equals the debt to equity ratio assessment factor in sub. (5) (b)
8 multiplied by the following amount:

9 1. Subtract 4 from the debt to equity ratio.

10 2. Divide the amount determined under subd. 1. by 4.

11 3. Raise the amount determined under subd. 2. to the 3rd power.

12 4. Subtract 1.85 from the debt to equity ratio.

13 5. Divide the amount determined under subd. 4. by 2.5.

14 6. Raise the amount determined under subd. 5. to the 7th power.

15 7. Add the amount determined under subd. 3. to the amount determined under
16 subd. 6.

17 8. Add one to the amount determined under subd. 7.

18 (c) If the vegetable contractor has filed an annual financial statement under
19 s. 126.58 and that financial statement shows negative equity or a debt to equity ratio
20 of at least 6.0 to 1.0, the vegetable contractor's debt to equity ratio assessment rate
21 equals the debt to equity ratio assessment factor in sub. (5) (b) multiplied by
22 35.859145.

23 (d) If the vegetable contractor has not filed an annual financial statement
24 under s. 126.58, the vegetable contractor's debt to equity ratio assessment rate
25 equals the debt to equity ratio assessment factor in sub. (5) (b) multiplied by 1.34793.

1 **(5) DEBT TO EQUITY RATIO ASSESSMENT FACTOR.** (a) A vegetable contractor's debt
2 to equity ratio assessment factor under sub. (4) (a) is 0.000135, except as follows:

3 1. For the vegetable contractor's 4th and 5th consecutive full license years as
4 a contributing vegetable contractor, the vegetable contractor's debt to equity ratio
5 assessment factor is 0.00008.

6 2. For the vegetable contractor's 6th or higher consecutive full license year as
7 a contributing vegetable contractor, the vegetable contractor's debt to equity ratio
8 assessment factor is zero.

9 (b) A vegetable contractor's debt to equity ratio assessment factor under sub.
10 (4) (b) to (d) is 0.000203, except as follows:

11 1. For the vegetable contractor's 4th and 5th consecutive full license years as
12 a contributing vegetable contractor, the vegetable contractor's debt to equity ratio
13 assessment factor is 0.00016.

14 2. For the vegetable contractor's 6th or higher consecutive full license year as
15 a contributing vegetable contractor, the vegetable contractor's debt to equity ratio
16 assessment factor is 0.0001.

17 **(6) QUARTERLY INSTALLMENTS.** (a) A contributing vegetable contractor shall pay
18 the vegetable contractor's annual fund assessment in equal quarterly installments
19 that are due as follows:

20 1. The first installment is due on March 1 of the license year.

21 2. The 2nd installment is due on June 1 of the license year.

22 3. The 3rd installment is due on September 1 of the license year.

23 4. The 4th installment is due on December 1 of the license year.

24 (b) A contributing vegetable contractor may prepay any of the quarterly
25 installments under par. (a).

1 (c) A contributing vegetable contractor who applies for an annual license after
2 the beginning of a license year shall pay the full annual fund assessment required
3 under this section. The vegetable contractor shall pay, with the first quarterly
4 installment that becomes due after the day on which the department issues the
5 license, all of that year's quarterly installments that were due before that day.

6 (d) A contributing vegetable contractor who fails to pay the full amount of any
7 quarterly installment when due shall pay, in addition to that installment, a late
8 payment penalty of \$50 or 10% of the overdue installment amount, whichever is
9 greater.

10 (7) NOTICE OF ANNUAL ASSESSMENT AND QUARTERLY INSTALLMENTS. When the
11 department issues an annual license to a contributing vegetable contractor, the
12 department shall notify the vegetable contractor of all of the following:

13 (a) The amount of the vegetable contractor's annual fund assessment under
14 this section.

15 (b) The amount of each required quarterly installment under sub. (6) and the
16 date by which the vegetable contractor must pay each installment.

17 (c) The penalty that applies under sub. (6) (d) if the vegetable contractor fails
18 to pay any quarterly installment when due.

19 **126.61 Vegetable contractors; security. (1) SECURITY REQUIRED.** (a) Except
20 as provided in par. (c), a vegetable contractor shall file security with the department,
21 and maintain that security until the department releases it under sub. (7), if all of
22 the following apply when the department first licenses the vegetable contractor
23 under s. 126.56 (1):

24 1. The vegetable contractor reports more than \$1,000,000 in annual contract
25 obligations under s. 126.56 (9) (a).

1 2. The vegetable contractor files a financial statement under s. 126.58 (1) and
2 that financial statement shows negative equity.

3 (b) Except as provided in par. (c), a vegetable contractor shall file security with
4 the department to cover the full amount of the unpaid deferred contract obligations
5 last reported under s. 126.56 (9) (e) or (12) (b), and maintain that security until it is
6 released under sub. (7), unless the vegetable contractor files an annual financial
7 statement under s. 126.58 and that financial statement shows positive equity, a
8 current ratio of at least 1.25 to 1.0, and a debt to equity ratio of not more than 4.0 to
9 1.0.

10 (c) A vegetable contractor is not required to file security under par. (a) or (b) if
11 any of the following applies:

12 1. The vegetable contractor pays cash on delivery under all vegetable
13 procurement contracts.

14 2. The vegetable contractor is a producer-owned cooperative that procures
15 processing vegetables only from its producer members.

16 **(2) SECURITY CONTINUED.** A vegetable contractor who filed security under s.
17 100.03, 1999 stats., before February 1, 2002, shall maintain that security until the
18 department releases it under sub. (7).

19 **(3) AMOUNT OF SECURITY.** A vegetable contractor who is required to file or
20 maintain security under this section shall, at all times, maintain security that is at
21 least equal to the sum of the following:

22 (a) Seventy-five percent of the amount last reported under s. 126.56 (9) (b) or
23 (12) (a), except that this amount is not required of a contributing vegetable contractor
24 after May 1, 2002.

25 (b) The amount required under sub. (1) (b), if any.

1 (4) FORM OF SECURITY. The department shall review, and determine whether
2 to approve, security filed under this section. The department may approve only the
3 following types of security:

4 (a) Currency.

5 (b) A commercial surety bond if all of the following apply:

6 1. The surety bond is made payable to the department for the benefit of
7 vegetable producers and producer agents.

8 2. The surety bond is issued by a person authorized to operate a surety business
9 in this state.

10 3. The surety bond is issued as a continuous term bond that may be canceled
11 only with the department's written agreement, or upon 90 days' prior written notice
12 served on the department in person or by certified mail.

13 4. The surety bond is issued in a form, and subject to any terms and conditions,
14 that the department considers appropriate.

15 (c) A certificate of deposit or money market certificate, if all of the following
16 apply:

17 1. The certificate is issued or endorsed to the department for the benefit of
18 vegetable producers and producer agents.

19 2. The certificate may not be canceled or redeemed without the department's
20 written permission.

21 3. No person may transfer or withdraw funds represented by the certificate
22 without the department's written permission.

23 4. The certificate renews automatically without any action by the department.

24 5. The certificate is issued in a form, and subject to any terms and conditions,
25 that the department considers appropriate.

1 (d) An irrevocable bank letter of credit if all of the following apply:

2 1. The letter of credit is payable to the department for the benefit of vegetable
3 producers and producer agents.

4 2. The letter of credit is issued on bank letterhead.

5 3. The letter of credit is issued for an initial period of at least one year.

6 4. The letter of credit renews automatically unless, at least 90 days before the
7 scheduled renewal date, the issuing bank gives the department written notice, in
8 person or by certified mail, that the letter of credit will not be renewed.

9 5. The letter of credit is issued in a form, and subject to any terms and
10 conditions, that the department considers appropriate.

11 (e) Security filed with the department under s. 100.03, 1999 stats., before
12 February 1, 2002, except that on January 1, 2003, the department shall withdraw
13 its approval of any security that is not approvable under pars. (a) to (d).

14 **(5) DEPARTMENT CUSTODY OF SECURITY.** The department shall hold, in its custody,
15 all security filed and maintained under this section. The department shall hold the
16 security for the benefit of vegetable producers and producer agents.

17 **(6) ADDITIONAL SECURITY.** (a) The department may, at any time, demand
18 additional security from a vegetable contractor if any of the following applies:

19 1. The vegetable contractor's existing security falls below the amount required
20 under sub. (3) for any reason, including a depreciation in the value of the security
21 filed with the department, increased obligations to vegetable producers or producer
22 agents, or the cancellation of any security filed with the department.

23 2. The vegetable contractor fails to provide required information that is
24 relevant to a determination of security requirements.

1 (b) The department shall issue a demand under par. (a) in writing. The
2 department shall indicate why additional security is required, the amount of
3 security required, and the deadline date for filing security. The department may not
4 specify a deadline for filing security that is more than 30 days after the date on which
5 the department issues its demand for security.

6 (c) A vegetable contractor may request a hearing, under ch. 227, on a security
7 demand under par. (b). A request for hearing does not automatically stay a security
8 demand.

9 (d) If a vegetable contractor fails to comply with the department's security
10 demand under this subsection, the vegetable contractor shall give written notice of
11 that fact to all vegetable producers and producer agents from whom the vegetable
12 contractor procures processing vegetables. If the vegetable contractor fails to give
13 accurate notice under this paragraph within 5 days after the security filing deadline
14 under par. (b) has passed, the department shall promptly notify vegetable producers
15 and producer agents by publishing a class 3 notice under ch. 985. The department
16 may also give individual notice to vegetable producers or producer agents of whom
17 the department is aware.

18 (e) If a vegetable contractor fails to comply with the department's demand for
19 security under this subsection, the department may do any of the following:

20 1. Issue a summary order under s. 126.85 (2) that prohibits the vegetable
21 contractor from procuring processing vegetables from vegetable producers or
22 producer agents, or requires the vegetable contractor to pay cash on delivery under
23 all vegetable procurement contracts.

24 2. Suspend or revoke the vegetable contractor's license.

1 (7) **RELEASING SECURITY.** (a) The department may release security filed under
2 sub. (1) (a), except for any amount of security that the vegetable contractor is
3 required to file because sub. (1) (b) applies to the vegetable contractor, if any of the
4 following applies:

5 1. The vegetable contractor reports less than \$1,000,000 in annual contract
6 obligations under s. 126.56 (9) (a) for at least 2 consecutive years and the vegetable
7 contractor pays the quarterly fund assessment that would have been required of the
8 vegetable contractor if the vegetable contractor had been a contributing vegetable
9 contractor on the most recent quarterly installment date under s. 126.60 (6).

10 2. The vegetable contractor's annual financial statement under s. 126.58 shows
11 positive equity for at least 2 consecutive years and the vegetable contractor pays the
12 quarterly fund assessment that would have been required of the vegetable contractor
13 if the vegetable contractor had been a contributing vegetable contractor on the most
14 recent quarterly installment date under s. 126.60 (6).

15 (b) The department may release security filed under sub. (1) (b), except for any
16 amount of security that the vegetable contractor is required to file because sub. (1)
17 (a) applies to the vegetable contractor, if any of the following applies:

18 1. The vegetable contractor has no unpaid obligations under deferred payment
19 contracts, and will not use deferred payment contracts in the current license year.

20 2. The vegetable contractor files 2 consecutive annual financial statements
21 under s. 126.58 that show a current ratio of at least 1.25 to 1.0, positive equity, and
22 a debt to equity ratio of not more than 4.0 to 1.0.

23 (c) On May 1, 2002, the department may release security maintained under
24 sub. (2), unless the vegetable contractor is required to file security under sub. (1).

1 (d) The department may release security to the extent that the security exceeds
2 the amount required under sub. (3).

3 (e) The department may release security if the vegetable contractor files
4 alternative security, of equivalent value, that the department approves.

5 (f) The department shall release security if the vegetable contractor has gone
6 out of business and paid all contract obligations in full.

7 **126.62 Vegetable contractors; records. (1) RECORDS REQUIRED.** A vegetable
8 contractor shall keep all of the following:

9 (a) Copies of all written vegetable procurement contracts.

10 (b) A current record of all vegetable contract obligations, payments, and unpaid
11 balances.

12 **(2) RECORDS RETENTION.** A vegetable contractor shall keep all of the following
13 records for at least 6 years from the date of their creation:

14 1. Records required under sub. (1).

15 2. Records that the vegetable contractor was required to keep, under s. 100.03,
16 1999 stats., and department rules, before February 1, 2002.

17 **(3) RECORDS INSPECTION.** A vegetable contractor shall make records required
18 under this section available to the department for inspection and copying upon
19 request.

20 **126.63 Vegetable contractors; business practices. (1) VEGETABLE GRADING**
21 **AND TARE.** (a) A vegetable contractor shall grade vegetables according to the following
22 standards if the vegetable grade may affect the amount received by the vegetable
23 producer:

24 1. Standard grading procedures that the department establishes by rule.

1 2. Uniform grade standards that the department establishes by rule, unless the
2 vegetable procurement contract clearly specifies alternative grade standards.

3 (b) If a vegetable contractor makes any deduction for tare, the vegetable
4 contractor shall determine tare according to procedures that the department
5 establishes by rule.

6 (c) The department shall establish grade standards for vegetables that conform
7 to grade standards adopted by the federal department of agriculture under 7 USC
8 1621 to 1632.

9 **(2) PROHIBITED DEDUCTIONS.** No vegetable purchaser may deduct, from the
10 amount payable under a vegetable procurement contract, an amount designated for
11 the payment of any vegetable contractor license fee, surcharge, or fund assessment
12 under this subchapter.

13 **(3) TIMELY PAYMENT.** A vegetable contractor shall pay a vegetable producer or
14 producer agent according to the vegetable procurement contract. The vegetable
15 contractor shall make the following payments by the following dates, unless the
16 contract specifies a different payment date in writing:

17 (a) The 15th day of the month immediately following the month in which the
18 vegetable contractor harvests or accepts delivery of processing vegetables, the full
19 amount owed under the contract for those vegetables.

20 (b) The 15th day of the month immediately following the month in which the
21 vegetable contractor rejects or fails to harvest processing vegetables tendered under
22 the vegetable procurement contract, the full amount owed under the contract for
23 those vegetables.

1 (4) ANNUAL PAYMENT DEADLINE. (a) Except as provided in par. (b) or (c), a
2 vegetable contractor shall pay all outstanding obligations to vegetable producers by
3 January 31 of each license year.

4 (b) For processing vegetables tendered or delivered in January of any license
5 year, a vegetable contractor shall pay the full amount owed under the vegetable
6 procurement contract by February 15 or by the 30th day after the date of delivery,
7 whichever date is later.

8 (c) A vegetable contractor may pay outstanding producer obligations in
9 accordance with a deferred payment contract that complies with sub. (5) and
10 specifies a payment date after January 31 for processing vegetables delivered on or
11 before December 31.

12 (5) DEFERRED PAYMENT CONTRACT. (a) Before a vegetable contractor offers a
13 deferred payment contract to any vegetable producer, the vegetable contractor shall
14 put the deferred payment contract to a vote of vegetable producers, as provided in
15 par. (b), obtain the approval of a majority of the voting vegetable producers, and
16 comply with par. (c).

17 (b) To put a deferred payment contract to a vote of vegetable producers, the
18 vegetable contractor shall give written notice to all vegetable producers in this state
19 from whom the vegetable contractor procured the same type of processing vegetables
20 during the preceding license year. In the notice, the vegetable contractor shall
21 include a copy of the proposed contract, shall announce a meeting at which the
22 vegetable producers will be asked to vote on the proposed contract, and shall include
23 a mail ballot by which a vegetable producer may vote without attending the meeting.
24 The vegetable contractor shall conduct the voting by secret ballot.

1 (c) To comply with this paragraph, a vegetable contractor shall file all of the
2 following with the department:

3 1. A sworn statement certifying that the contract was approved in a vote of
4 vegetable producers under this subsection.

5 2. Any additional security required under s. 126.61 (3).

6 (6) CASH ON DELIVERY. A vegetable contractor shall pay cash on delivery under
7 all vegetable procurement contracts if any of the following applies:

8 (a) The vegetable contractor stated, in the vegetable contractor's last annual
9 statement under s. 126.56 (9) (g), that the vegetable contractor would pay cash on
10 delivery.

11 (b) The department disqualifies the vegetable contractor, under s. 126.59 (2)
12 (c), or requires the vegetable contractor to pay cash on delivery under s. 126.61 (6)
13 (e).

14 **126.64 Vegetable contractors; prohibited practices.** No vegetable
15 contractor may do any of the following:

16 (1) Misrepresent the weight, grade, or quality of processing vegetables under
17 a vegetable procurement contract.

18 (2) Falsify any record or account, or conspire with any other person to falsify
19 a record or account.

20 (3) Make any false or misleading representation to the department.

21 (4) If the vegetable contractor is licensed under s. 126.56, engage in any activity
22 that is inconsistent with representations made in the vegetable contractor's annual
23 license application.

24 (5) Make any false or misleading representation to a vegetable producer or
25 producer agent related to matters regulated under this chapter.

1 (6) Fail to file the full amount of security required under s. 126.61 (6) by the
 2 date that the department specifies.

3 SUBCHAPTER VII

4 RECOVERY PROCEEDINGS

5 **126.68 Definitions.** In this subchapter:

6 (1) "Contributing contractor" means any of the following:

- 7 (a) A contributing grain dealer, as defined in s. 126.10 (3).
- 8 (b) A contributing grain warehouse keeper, as defined in s. 126.25 (2).
- 9 (c) A contributing milk contractor, as defined in s. 126.40 (1).

10 (d) A contributing vegetable contractor, as defined in s. 126.55 (4).

11 (2) "Depositor" has the meaning given in s. 126.25 (5).

12 (3) "Grain dealer" has the meaning given in s. 126.10 (9).

13 (4) "Grain producer" has the meaning given in s. 126.10 (10).

14 (5) "Grain warehouse keeper" has the meaning given in s. 126.25 (9).

15 (6) "Milk contractor" has the meaning given in s. 126.40 (8).

16 (7) "Milk producer" has the meaning given in s. 126.40 (10).

17 (8) "Producer grain" has the meaning given in s. 126.10 (14).

18 (9) "Producer milk" has the meaning given s. 126.40 (14).

19 (10) "Vegetable contractor" has the meaning given in s. 126.55 (14).

20 (11) "Vegetable procurement contract" has the meaning given in s. 126.55 (15).

21 (12) "Vegetable producer" has the meaning given in s. 126.55 (16).

22 **126.70 Recovery proceedings.** (1) DEFAULT CLAIMS. Any of the following

23 persons may file a default claim with the department against a contractor who is
 24 licensed, or required to be licensed, under this chapter:

1 (a) A grain producer or producer agent, as defined in s. 126.10 (13), who claims
2 that a grain dealer has failed to pay, when due, for producer grain that the grain
3 dealer procured in this state.

4 (b) A depositor who is either a grain producer or a producer agent, as defined
5 in s. 126.10 (13), and who claims that a grain warehouse keeper has failed to return
6 stored grain or its equivalent upon demand.

7 (c) A milk producer or producer agent, as defined in s. 126.40 (13), who claims
8 that a milk contractor has failed to pay, when due, for producer milk procured in this
9 state.

10 (d) A vegetable producer or producer agent, as defined in s. 126.55 (12), who
11 claims that a vegetable contractor has failed to make payment when due under a
12 vegetable procurement contract.

13 **(2) FILING DEFAULT CLAIMS.** A claimant shall file a default claim under sub. (1)
14 within 30 days after the claimant first learns of the default, subject to sub. (3). The
15 claimant shall specify the nature and amount of the default. The department may
16 investigate the alleged default and may require the claimant to provide supporting
17 documentation.

18 **(3) INITIATING A RECOVERY PROCEEDING.** (a) The department may initiate a
19 recovery proceeding in response to one or more default claims under sub. (1). The
20 department shall issue a written notice announcing the recovery proceeding. The
21 department shall mail or deliver a copy of the notice to the contractor and each
22 claimant in the proceeding.

23 (b) If the department has reason to believe that other persons may have default
24 claims under sub. (1) against the same contractor, the department may invite those

1 persons to file their claims in the recovery proceeding. The department may publish
2 the invitation in any of the following ways:

3 1. By posting it at the contractor's place of business.

4 2. By publishing it as a class 3 notice under ch. 985.

5 3. By mailing or delivering it to prospective claimants known to the
6 department.

7 4. By other means that the department considers appropriate.

8 (c) In its invitation under par. (b), the department may specify a deadline date
9 and a procedure for filing default claims. An invitation may indicate the amount of
10 a prospective claimant's apparent claim and may ask the prospective claimant to
11 verify or correct that amount.

12 (d) The department may initiate separate recovery proceedings for default
13 claims that comply with sub. (2) but are filed after the deadline date under par. (c).

14 (4) AUDITING CLAIMS. The department shall audit each claim included in a
15 recovery proceeding. The department shall disallow a claim if the department finds
16 any of the following:

17 (a) That the claim is false or not adequately documented.

18 (b) That the claimant filed the claim more than 30 days after the claimant first
19 learned of the contractor's default, unless the department specifies a later
20 claim-filing deadline under sub. (3) (c).

21 (c) That the claimant, without any contractual obligation to do so, continued
22 to deliver grain, milk, or vegetables to the defaulting contractor more than 10 days
23 after the claimant first learned of the contractor's default.

24 (d) That the claimant failed to comply with claim-filing deadlines or
25 procedures specified under sub. (3) (c).

1 (e) That the person filing the claim is not an authorized claimant under sub.
2 (1).

3 (5) ALLOWED CLAIM AMOUNTS. (a) The department shall determine the amount
4 of an allowed claim based on the contract between the parties. If the contract terms
5 are unclear, the department may determine the allowed claim amount based on local
6 market prices, applicable milk marketing order prices, customs in the trade, or other
7 evidence that the department considers appropriate.

8 (b) Notwithstanding par. (a), if the default involves a grain warehouse keeper's
9 failure to return stored grain to a depositor upon demand, the department shall
10 calculate the value of the grain based on local market prices on the day on which the
11 depositor made the demand.

12 (c) The department shall subtract from the allowed claim amount any
13 offsetting payments made by the contractor and any obligations for which the
14 claimant is liable to the contractor.

15 (6) PROPOSED DECISION. After the department completes its audit under sub. (4),
16 the department shall issue a proposed decision. The department shall mail or deliver
17 a copy of the proposed decision to the contractor and each claimant. The department
18 shall do all of the following in the proposed decision:

19 (a) Specify proposed findings of fact, proposed conclusions of law, and a
20 proposed order.

21 (b) Allow or disallow each default claim and specify the amount of each allowed
22 claim. The department may disallow part of a claim.

23 (c) Specify, for each allowed claim, the amount that the department is
24 authorized to pay under s. 126.71.

1 (d) Specify the method, under s. 126.71, by which the department will pay the
2 authorized amounts under par. (c).

3 (e) Explain a claimant's right under s. 126.87 (4) to seek court recovery of that
4 portion of an allowed claim that is not paid by the department.

5 (f) Specify a date by which the contractor or claimant may file written
6 objections to the proposed decision.

7 **(7) FINAL DECISION IF NO OBJECTIONS.** If no contractor or claimant files a timely
8 written objection to the proposed decision under sub. (6), the department may issue
9 the proposed decision as the department's final decision in the recovery proceeding,
10 without further notice or hearing. The department shall mail or deliver a copy of the
11 final decision to the contractor and each claimant.

12 **(8) OBJECTIONS TO PROPOSED DECISION; NOTICE, HEARING, AND FINAL DECISION.** (a)
13 If a contractor or claimant files a timely written objection to the proposed decision
14 under sub. (6), the department shall hold a public hearing on the objection. The
15 department shall follow applicable contested case procedures under ch. 227. The
16 department may hear all objections in a single proceeding. At the conclusion of the
17 contested case proceeding, the department shall issue a final decision affirming or
18 modifying the proposed decision under sub. (6).

19 (b) The department may issue a final decision under sub. (7) related to default
20 claims that are not affected by objections under par. (a), regardless of whether the
21 department has completed the contested case proceeding under par. (a).

22 **126.71 Paying default claims. (1) CLAIMS AGAINST CONTRIBUTING**
23 **CONTRACTOR.** Except as provided in sub. (2) or (3), the department shall pay from the
24 appropriate sources under s. 126.72 the following default claim amounts:

1 (a) Except as provided in par. (d) or (e), for each default claim allowed under
2 s. 126.70 against a grain dealer or milk contractor who was a contributing contractor
3 when the default occurred:

- 4 1. Eighty percent of the first \$60,000 allowed.
- 5 2. Seventy-five percent of any amount allowed in excess of \$60,000.

6 (b) For each default claim allowed under s. 126.70 against a grain warehouse
7 keeper who was a contributing contractor when the default occurred, 100% of the
8 first \$100,000 allowed.

9 (c) For each default claim allowed under s. 126.70 against a vegetable
10 contractor who was a contributing contractor when the default occurred:

- 11 1. Ninety percent of the first \$40,000 allowed.
- 12 2. Eighty-five percent of the next \$40,000 allowed.
- 13 3. Eighty percent of the next \$40,000 allowed.
- 14 4. Seventy-five percent of any amount allowed in excess of \$120,000.

15 (d) For each default claim allowed under s. 126.70 against a qualified producer
16 agent who, at the time of the default, was a contributing contractor and maintained
17 security under s. 126.47 (3) (c), if the default occurs after April 30, 2002, and before
18 May 1, 2004, 15% of the amount allowed.

19 (e) For each default claim allowed under s. 126.70 against a qualified producer
20 agent who, at the time of the default, was a contributing contractor and maintained
21 security under s. 126.47 (3) (c), if the default occurs after April 30, 2004, and before
22 May 1, 2007, 20% of the amount allowed.

23 **(1m) WHEN DEFAULT OCCURS.** For the purposes of this chapter, a default occurs
24 on the date on which payment or delivery becomes overdue.

1 (2) CLAIMS AGAINST CONTRACTOR WHO HAS FILED SECURITY. If the department
2 allows default claims under s. 126.70 against a contractor who has security on file
3 with the department, the department shall convert that security and use the
4 proceeds as follows:

5 (a) If the contractor was not a contributing contractor when the default
6 occurred, the department shall use the security proceeds to pay the full amount of
7 the allowed claims, except that, if the security is not adequate to pay the full amount
8 of the allowed claims, the department shall pay claimants on a prorated basis in
9 proportion to their allowed claims.

10 (b) If the contractor was a contributing contractor when the default occurred,
11 the department shall use the security proceeds to reimburse the sources under s.
12 126.72 from which the department makes any claim payment under sub. (1). If the
13 security amount exceeds the amount payable under sub. (1) from the sources under
14 s. 126.72, the department shall use the remaining security proceeds to pay the
15 balance of the allowed claims. If the security amount is not adequate to pay the full
16 remaining balance, the department shall pay claimants on a prorated basis in
17 proportion to their allowed claims.

18 (c) Notwithstanding par. (b), if the contractor was a contributing contractor
19 when the default occurred, the department may, at its discretion, pay claims directly
20 from security proceeds rather than from a fund source under s. 126.72. If the
21 department acts under this paragraph, the department shall first pay claims in the
22 amounts provided in sub. (1). If the security amount exceeds the amount payable
23 under sub. (1) from the sources under s. 126.72, the department shall use the
24 remaining security proceeds to pay the balance of the allowed claims. If the security

1 amount is not adequate to pay the full remaining balance, the department shall pay
2 claimants on a prorated basis in proportion to their allowed claims.

3 (3) PAYMENT RESTRICTIONS. (a) The department may not pay any portion of the
4 following from any source identified in s. 126.72:

5 1. A default claim related to a default by a grain dealer or grain warehouse
6 keeper that occurs before September 1, 2002.

7 2. A default claim related to a default by a milk contractor that occurs before
8 May 1, 2002.

9 3. A default claim related to a default by a vegetable contractor that occurs
10 before February 1, 2002.

11 4. A default claim allowed against a contractor who was not a contributing
12 contractor when the default occurred.

13 (b) The department may not pay any default claim under this chapter, except
14 as provided in sub. (1) or (2).

15 (c) If the total amount of default claims exceeds the amount available under s.
16 126.72, the department shall prorate the available amount among the eligible
17 claimants in proportion to the amount of their allowed claims.

18 (4) EFFECT OF PAYMENT. A claimant who accepts payment under sub. (1) or (2)
19 releases his or her claim against the contractor to the extent of the payment. A
20 payment under sub. (1) or (2) does not prevent a claimant from recovering the
21 balance of an allowed claim directly from the contractor.

22 **126.72 Claims against contributing contractor; payment sources. (1)**
23 PRODUCER SECURITY FUND. From the appropriation under s. 20.115 (1) (w), the
24 department shall make payments authorized under s. 126.71 (1), up to the deductible
25 amount in sub. (4).

1 **(2) INDUSTRY BOND PROCEEDS.** The department shall make a demand against the
2 appropriate industry bond under s. 126.06 and shall use the proceeds of that bond
3 to make payments authorized under s. 126.71 (1), to the extent that those payments
4 exceed the deductible amount in sub. (4).

5 **(3) BLANKET BOND PROCEEDS.** The department shall make a demand against the
6 blanket bond under s. 126.07 and shall use the bond proceeds to pay any remaining
7 amounts authorized under s. 126.71 (1) after the department makes payments under
8 subs. (1) and (2).

9 **(4) DEDUCTIBLE AMOUNT.** The deductible amount, for purposes of subs. (1) and
10 (2), is as follows:

11 (a) For default claims against a grain dealer or grain warehouse keeper who
12 was a contributing contractor when the default occurred:

13 1. If the department allows the claims on or after September 1, 2002, but before
14 September 1, 2004, \$500,000.

15 2. If the department allows the claims on or after September 1, 2004, but before
16 September 1, 2006, \$750,000.

17 3. If the department allows the claims on or after September 1, 2006,
18 \$1,000,000.

19 (b) For default claims against a milk contractor who was a contributing
20 contractor when the default occurred:

21 1. If the department allows the claims on or after May 1, 2002, but before May
22 1, 2004, \$1,000,000.

23 2. If the department allows the claims on or after May 1, 2004, but before May
24 1, 2006, \$1,500,000.

25 3. If the department allows the claims on or after May 1, 2006, \$2,000,000.

1 (c) For claims against a vegetable contractor who was a contributing contractor
2 when the default occurred:

3 1. If the department allows the claims on or after February 1, 2002, but before
4 February 1, 2004, \$500,000.

5 2. If the department allows the claims on or after February 1, 2004, but before
6 February 1, 2006, \$750,000.

7 3. If the department allows the claims on or after February 1, 2006, \$1,000,000.

8 **126.73 Reimbursing payments.** (1) PAYMENTS FROM THE FUND. The
9 department may demand and collect, from a contractor, any claim amounts that the
10 department pays under s. 126.72 (1) because of the contractor's default.

11 (2) BOND PAYMENTS. A bond surety may demand and collect, from a contractor,
12 any claim amounts that the bond surety pays to the department under s. 126.72 (2)
13 or (3) because of the contractor's default. The bond surety shall provide the
14 department with a copy of each demand under this subsection.

15 SUBCHAPTER VIII

16 ADMINISTRATION AND ENFORCEMENT

17 **126.78 Definitions.** In this subchapter:

18 (1) "Contributing contractor" has the meaning given in s. 126.68 (1).

19 (2) "Depositor" has the meaning given in s. 126.25 (5).

20 (3) "Grain dealer" has the meaning given in s. 126.10 (9).

21 (4) "Grain warehouse keeper" has the meaning given in s. 126.25 (9).

22 (5) "Milk contractor" has the meaning given in s. 126.40 (8).

23 (6) "Producer agent" means a person who is a producer agent, as defined in s.
24 126.10 (13), 126.40 (13), or 126.55 (12).

25 (7) "Vegetable contractor" has the meaning given in s. 126.55 (14).

1 (8) “Vegetable producer” has the meaning given in s. 126.55 (16).

2 **126.80 Department authority; general.** The department shall administer
3 this chapter.

4 **126.81 Rule-making.** The department may promulgate rules to do any of the
5 following:

6 (1) Interpret and implement this chapter.

7 (2) Modify the license fees and surcharges provided in s. 126.11 (4), 126.26 (3),
8 126.41 (3), 126.42, or 126.56 (4).

9 (3) Modify the fund assessments provided under s. 126.15, 126.30, 126.46, or
10 126.60, as provided in s. 126.88.

11 (4) Require a contractor to notify producers and producer agents of the
12 contractor’s license, security, or fund contribution status under this chapter.

13 **126.82 Investigations.** The department may conduct investigations that it
14 considers necessary for the administration of this chapter, including investigations
15 to determine any of the following:

16 (1) Whether a contractor complies with this chapter.

17 (2) Whether a contractor is able to honor contract obligations when due.

18 (3) Whether a contractor has failed to honor contract obligations when due.

19 (4) Whether a grain warehouse keeper has sufficient grain on hand to meet the
20 grain warehouse keeper’s obligations to depositors.

21 (5) The nature and amount of a contractor’s storage obligations or other
22 contract obligations.

23 **126.83 Information.** The department may require a contractor to provide
24 information that is relevant to the administration and enforcement of this chapter.

1 **126.84 Records; confidentiality. (1) PUBLIC RECORDS EXEMPTION.** The
2 following records obtained by the department under this chapter are not open to
3 public inspection under s. 19.35:

4 (a) Contractor financial statements.

5 (b) A contractor's purchase, storage, or procurement records.

6 **(2) USE OF RECORDS IN COURT OR ADMINISTRATIVE PROCEEDINGS.** Notwithstanding
7 sub. (1), the department may introduce any information obtained under this chapter
8 in a court proceeding or administrative contested case, subject to any protective
9 order that the court or administrative tribunal determines to be appropriate.

10 **126.85 Remedial orders. (1) GENERAL.** The department may, by special
11 order, require a contractor to remedy a violation of this chapter or a rule promulgated
12 under this chapter. The department may order the contractor to take specific
13 remedial actions, including actions to remedy deficiencies or to prevent losses to
14 persons protected under this chapter. Except as provided in sub. (2), the department
15 shall give the contractor notice and an opportunity for hearing before the department
16 issues an order.

17 **(2) SUMMARY ORDER.** The department may issue an order under sub. (1) without
18 prior notice or hearing if the department finds that the order is necessary to prevent
19 a clear and imminent threat of harm to persons protected under this chapter.
20 Conditions indicating a clear and imminent threat of harm include the following:

21 (a) A contractor fails to pay producers according to this chapter or according
22 to the contractor's contracts with producers.

23 (b) A contractor fails to file replacement insurance within the time required
24 under this chapter.

1 (c) A contractor fails to file security according to this chapter, or in response to
2 the department's demand under this chapter.

3 (d) A contractor fails to pay a fund assessment when due.

4 (e) A vegetable contractor fails to pay vegetable producers by January 31 for
5 vegetables delivered by December 31 of the previous year, except as authorized in a
6 deferred payment contract.

7 (f) A grain warehouse keeper fails to return grain to depositors upon demand,
8 as required under s. 126.34 (4).

9 (g) A grain warehouse keeper fails to maintain adequate grain inventory as
10 required under s. 126.34 (3), and at least one of the following applies:

11 1. The amount of the deficiency exceeds 10,000 bushels or 10% of the grain
12 warehouse keeper's obligations to depositors, whichever amount is less.

13 2. The grain warehouse keeper fails to correct the deficiency within 15 days
14 after receiving the department's written notice that a deficiency exists.

15 **(3) HEARING ON SUMMARY ORDER.** (a) A contractor named in a summary order
16 under sub. (2) may, within 10 days after receiving the order, request a hearing on the
17 order. The department shall hold an informal hearing as soon as possible after
18 receiving a hearing request, but not later than 10 days after receiving the hearing
19 request, unless the contractor waives the informal hearing or agrees to hold it at a
20 later date. If the matter is not resolved at the informal hearing, the department shall
21 hold a contested case hearing under ch. 227 as soon as reasonably possible.

22 (b) A hearing request under par. (a) does not automatically stay a summary
23 order. The department may stay a summary order pending hearing.

1 **126.86 License actions. (1) GENERAL.** The department may for cause deny,
2 suspend, revoke, or impose conditions on a contractor's license, as provided in s.
3 93.06 (7) and (8). Cause may include any of the following:

4 (a) The contractor fails to comply with this chapter or a rule promulgated under
5 this chapter.

6 (b) The contractor fails to comply with an order that the department issues
7 under this chapter.

8 (c) The contractor fails to provide relevant information that the department
9 requests under this chapter or falsifies information provided to the department.

10 (d) The contractor fails to file a financial statement, security, fees, or
11 assessments required under this chapter, or fails to meet other requirements for
12 licensing.

13 (e) The contractor fails to honor contract obligations to persons who are
14 authorized to file default claims under s. 126.70 (1).

15 (f) The contractor fails to reimburse the department, within 60 days after the
16 department issues a reimbursement demand under s. 126.73 (1), for the full amount
17 that the department pays to claimants under s. 126.72 (1) because of the contractor's
18 default.

19 (g) The contractor fails to reimburse a bond surety, within 60 days after the
20 bond surety issues a reimbursement demand under s. 126.73 (2), for the full amount
21 that the surety pays to the department under s. 126.72 (2) or (3) for the benefit of
22 claimants affected by the contractor's default.

23 **(2) HEARING ON LICENSE ACTION; GENERAL.** Except as provided in sub. (3), the
24 department shall give a contractor notice and an opportunity for hearing before the

1 department suspends, revokes, or imposes conditions on a license held by the
2 contractor.

3 (3) SUMMARY ACTION. (a) The department may, without prior notice or hearing,
4 summarily suspend, revoke, or impose conditions on a license held by a contractor
5 if the department finds that summary action is necessary to prevent a clear and
6 imminent threat of harm to persons protected under this chapter. Conditions
7 indicating a clear and imminent threat of harm include those identified in s. 126.85
8 (2).

9 (b) A contractor who is the subject of a summary action under par. (a) may,
10 within 10 days after receiving notice of that action, request a hearing on the action.
11 The department shall hold an informal hearing as soon as possible after receiving a
12 hearing request, but not later than 10 days after receiving the hearing request,
13 unless the contractor waives the informal hearing or agrees to hold it at a later date.
14 If the matter is not resolved at the informal hearing, the department shall hold a
15 contested case hearing under ch. 227 as soon as reasonably possible.

16 (c) A request for hearing under par. (b) does not automatically stay a summary
17 action under par. (a). The department may stay a summary action pending hearing.

18 **126.87 Court actions.** (1) INJUNCTION. The department may petition the
19 circuit court for an ex parte temporary restraining order, a temporary injunction, or
20 a permanent injunction to prevent, restrain, or enjoin any person from violating this
21 chapter, any rule promulgated under this chapter, or any order issued under this
22 chapter. The department may seek this remedy in addition to any other penalty or
23 remedy provided under this chapter.

1 (2) PENALTIES. (a) A person who violates this chapter, a rule promulgated under
2 this chapter, or an order issued under this chapter is subject to a forfeiture of not less
3 than \$250 nor more than \$5,000 for each violation.

4 (b) A person who intentionally violates this chapter, a rule promulgated under
5 this chapter, or an order issued under this chapter may be fined not more than
6 \$10,000 or imprisoned for not more than one year in the county jail or both.

7 (4) PRIVATE REMEDY. (a) A person whose claim is allowed under s. 126.70 may
8 bring an action against the contractor to recover the amount of the allowed claim, less
9 any recovery amount that the department pays to the claimant under s. 126.71. In
10 any court action under this subsection, the claimant may recover costs including all
11 reasonable attorney fees, notwithstanding s. 814.04 (1). This subsection does not
12 limit any other legal cause of action that the claimant may have against the
13 contractor.

14 (b) A claim allowed under s. 126.70 has the same priority in an insolvency
15 proceeding or creditor's action as a claim for wages, except as otherwise provided by
16 federal law.

17 (5) COLLECTIONS. The department may bring an action in court to recover any
18 unpaid amount that a contractor owes the department under this chapter, including
19 any unpaid fund assessment or reimbursement.

20 **126.88 Modifying fund assessments.** The department may by rule modify
21 the fund assessments provided under s. 126.15, 126.30, 126.46, or 126.60. The
22 department shall modify fund assessments as necessary to do all of the following:

23 (1) Maintain an overall fund balance of at least \$5,000,000 after January 1,
24 2006, but not more than \$22,000,000 at any time.

1 (2) Maintain a fund balance attributable to grain dealers of at least \$1,000,000
2 after January 1, 2006, but not more than \$6,000,000 at any time.

3 (3) Maintain a fund balance attributable to grain warehouse keepers of at least
4 \$200,000 after January 1, 2006, but not more than \$1,000,000 at any time.

5 (4) Maintain a fund balance attributable to milk contractors of at least
6 \$3,000,000 after January 1, 2006, but not more than \$12,000,000 at any time.

7 (5) Maintain a fund balance attributable to vegetable contractors of at least
8 \$800,000 after January 1, 2006, but not more than \$3,000,000 at any time.

9 **126.89 Calculations.** If a number used in or resulting from a calculation made
10 to determine the amount of an assessment under s. 126.15, 126.30, 126.46, or 126.60,
11 other than a number that appears in one of those sections, extends more than 6
12 decimal places to the right of the decimal point, a person making the calculation shall
13 round the number to the nearest whole digit in the 6th decimal place to the right of
14 the decimal point. The amount of an assessment may be rounded to the nearest
15 whole dollar.

16 **126.90 Agricultural producer security council.** The agricultural producer
17 security council shall advise the department on the administration and enforcement
18 of this chapter. The council shall meet as often as the department considers
19 necessary, but at least once annually. The department shall inform the council of
20 fund balances and payments, and shall consult with the council before modifying any
21 license fee, license surcharge, or fund assessment under this chapter.

22 ***b1461/3.16* SECTION 2814.** Chapter 127 of the statutes ^{is repealed.} *1 as affected by 2001 Wisconsin Act (this act)*

23 ***b1524/1.9* 1268.** Page 939, line 16: after that line insert:

24 ***b1524/1.9* "SECTION 2814dd.** 127.01 (1r) of the statutes is amended to read: