

CR 84-86

STATE OF WISCONSIN)
) SS.
DEPARTMENT OF AGRICULTURE,)
TRADE & CONSUMER PROTECTION)

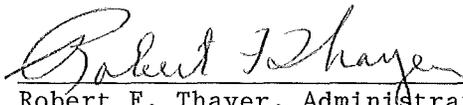
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TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, Robert F. Thayer, Administrator, Marketing Division, State of Wisconsin Department of Agriculture, Trade and Consumer Protection, and custodian of the official records of said Division, do hereby certify that the annexed order adopting rules relating to a potato marketing agreement for grading and inspection of potatoes as Wisconsin grade, using the Wisconsin seal of quality on packages of potatoes meeting Wisconsin grade requirements, and the collection of fees from participants for the administration of the marketing agreement, Chapter Ag 151, Wis. Adm. Code, was duly approved and adopted by the Department on September 14, 1984.

I further certify that said copy has been compared by me with the original on file in the Department and that the same is a true copy thereof, and of the whole of such original.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the official seal of the Department at the Department offices in the city of Madison, this 14th day of September, 1984.


Robert F. Thayer, Administrator
Marketing Division

The Wisconsin seal of quality is in the form of a rectangularly shaped logo identified by a simulated ribbon containing the words WISCONSIN POTATOES and an outline of a potato containing the word "FINEST."

The marketing agreement will be administered by the secretary in consultation with a marketing agreement council. The marketing agreement council will consist of 7 persons appointed by the secretary: 5 will be affected handlers; one will be a member of the Potato Industry Board; and, one will be a member of the board of directors of the Wisconsin Potato and Vegetable Growers Association. The 5 affected handlers will serve staggered 3-year terms and the 2 others will serve one-year terms.

Any handler who is eligible may participate in the marketing agreement by signing an assent form for a one-year period which is automatically renewable. By entering into the agreement, handlers agree to the terms of the agreement and gain access to its rights and privileges. Individuals, partnerships, corporations, cooperatives or other business entities directly engaged in packaging potatoes in Wisconsin qualify as eligible handlers. Handlers may assent to the agreement at any time during the year and participating handlers may withdraw from the agreement by notifying the secretary in writing during the 60 days preceding July 1 of any year.

The secretary, in consultation with the marketing agreement council, will establish a fee schedule payable by affected handlers to cover the administrative costs of the agreement. Affected handlers will be liable in the first marketing year in which the agreement is effective for fees of one-half cent (\$.005) per hundredweight of potatoes inspected for the standards of the agreement. This fee will be in addition to the inspection fee in effect under the joint federal-state inspection agreement. In subsequent years, the secretary may use a fee schedule consisting of fixed and variable components to ensure recovery of administrative costs. The secretary will provide to each affected handler an itemized accounting of the administrative costs at the end of each marketing year. Administrative costs are estimated to be \$15,000 for the first year the agreement is effective with an estimated volume of 2.5-3.0 million hundredweight being inspected under the quality program.

The marketing agreement will protect affected handlers from abuses of the quality and identity standards by prohibiting both affected handlers and other persons from certain actions. Prohibited acts will include: sales of potatoes contained in packages labeled with the Wisconsin seal of quality and not officially inspected and certified to meet the standards; sales of potatoes identified as Wisconsin grade without also applying the seal of quality; nonresident handlers using the Wisconsin seal of quality; and use of misleading practices, acts or misrepresentations of potatoes identified as Wisconsin grade and with the Wisconsin seal of quality.

The secretary will monitor compliance of the agreement. Each affected handler, in addition to paying the fees due under the agreement, must maintain accurate records and accounts for potatoes sold and may be required to submit reports to the secretary

as necessary to determine compliance. The secretary has authority to examine records of handlers or producers only as necessary to ensure compliance. Inspectors or other agents of the department may issue holding orders prohibiting the shipment or sale of any potatoes found not complying with the agreement until the problem identified is corrected or the potatoes are disposed of in a manner authorized by the department. Persons found violating any of the provisions of the agreement are subject to the penalties in s. 96.17 of the Wisconsin Statutes.

1 Pursuant to authority vested in the State of Wisconsin
2 Department of Agriculture, Trade and Consumer Protection by
3 s. 96.15, Stats., the State of Wisconsin Department of Agricul-
4 ture, Trade and Consumer Protection adopts rules establishing a
5 potato marketing agreement and interpreting Chapter 96, Stats., as
6 follows:

7 SECTION 1. Chapter Ag 151 is created to read:

8 POTATO MARKETING AGREEMENT

9 Ag 151.01 DEFINITIONS. As used in this chapter, unless the
10 context requires otherwise:

11 (1) "Affected handler" means an individual, partnership,
12 corporation, cooperative or other business entity including a
13 producer-handler, who is engaged in packaging and labeling
14 potatoes in Wisconsin and has assented to the marketing
15 agreement.

16 (2) "Assent" means a signed statement by affected handlers
17 consenting to the terms of this marketing agreement.

18 (3) "Damage" means any defect, or any combination of
19 defects, which materially detracts from the edible or marketing
20 quality, or the internal or external appearance of the potato, or
21 any external defect which cannot be removed without a loss of more

1 than 5 percent of the total weight of the potato.

2 (4) "Department" means the state of Wisconsin department of
3 agriculture, trade and consumer protection.

4 (5) "Holding order" means an official order issued by the
5 department prohibiting the sale or shipment of potatoes when the
6 potatoes fail to meet any of the standards of this agreement.

7 (6) "Marketing agreement assent form" means the document
8 signed by an affected handler which binds the handler to the terms
9 of the marketing agreement.

10 (7) "Marketing year" means the one-year period beginning
11 July 1 and ending the following June 30.

12 (8) "Packaging" or "packages" means any bag, box, carton or
13 or other container of any size in which potatoes are enclosed.

14 (9) "Potatoes" means all varieties of Solanum tuberosum
15 grown and packaged in the state of Wisconsin and sold or intended
16 to be sold for fresh use or seed stock in commercial channels.

17 (10) "Secretary" means the secretary of agriculture, trade
18 and consumer protection.

19 (11) "Serious damage" means any defect, any combination of
20 defects, which seriously detracts from the edible or marketing
21 quality or the internal or external appearance of the potato, or
22 any external defect which cannot be removed without a loss of more
23 than 10 percent of the total weight of the potato.

24 (12) "Wisconsin grade" means the official grade standard
25 established under the agreement for any potato or lot of potatoes
26 certified by inspection to meet Wisconsin grade standards.

27 (13) "Wisconsin seal of quality" means the official seal of

1 quality established under this agreement which affected handlers
2 may use on packages of potatoes certified to meet Wisconsin
3 grade.

4 Ag 151.02 PURPOSE. The objectives of this marketing agree-
5 ment are to establish a uniform grading standard for premium qual-
6 ity potatoes grown and packaged in Wisconsin by affected handlers;
7 to require inspection of potatoes sold as Wisconsin grade and
8 identified with the Wisconsin seal of quality; and to promote the
9 orderly and efficient marketing of premium quality Wisconsin
10 potatoes.

11 Ag 151.03 APPLICABILITY OF AGREEMENT. (1) SCOPE. This
12 marketing agreement is applicable to all potatoes sold in com-
13 mercial channels or being prepared for sale in packages identify-
14 ing the potatoes as meeting Wisconsin grade and labeled with the
15 Wisconsin seal of quality, according to the standards of this
16 agreement. The department shall inspect potatoes intended for
17 sale in packages displaying the Wisconsin seal of quality and
18 certify that the potatoes meet the official grade standards and
19 labeling requirements of the agreement.

20 (2) EXCLUSIONS. This marketing agreement does not include
21 potatoes sold for processing.

22 Ag 151.04 MARKETING AGREEMENT CONTRACT TERMS. (1) INITIAL
23 ASSENT. A handler may become a party to this agreement by signing
24 a marketing agreement assent form. Any handler who assents to the
25 agreement is an affected handler and thereby becomes subject to
26 the requirements of and is afforded the full rights and privileges
27 of this agreement. A handler may not participate in this agree-

1 ment unless the handler individually or through a cooperative
2 marketing association signs a marketing agreement assent form.

3 (2) RENEWAL. Assent to the marketing agreement shall
4 automatically renew for a one-year period on each July 1.

5 (3) POST-CREATION ASSENT. Handlers not previously assenting
6 to the agreement may become affected handlers by signing a market-
7 ing agreement assent form at any later time during the term of the
8 agreement. Handler assents occurring during the marketing year
9 are renewable for one-year periods on the following July 1.

10 (4) WITHDRAWALS. Affected handlers may withdraw from the
11 agreement by notifying the secretary in writing of their intent to
12 withdraw at least 60 days prior to July 1 of any year.

13 Ag 151.05 OFFICIAL GRADE; STANDARDS; ADJUSTMENT OF STAN-
14 DARDS. (1) OFFICIAL GRADE; GRADING STANDARDS. Potatoes under
15 the marketing agreement shall be classified as "Wisconsin grade"
16 potatoes, and shall conform to applicable grading standards under
17 this chapter. Applicable standards may be adjusted as provided in
18 sub. (3), provided that the standards meet or exceed the minimum
19 standards set forth under s. Ag 151.06. The applicable standards
20 are the minimum standards set forth under s. Ag 151.06, except as
21 the applicable standards are otherwise adjusted under sub. (3).

22 (2) OFFICIAL SEAL OF QUALITY. The official seal of quality
23 which may be used on packages of potatoes meeting Wisconsin grade
24 shall be referred to as the "Wisconsin seal of quality." The
25 Wisconsin seal of quality shall be used only by affected handlers
26 provided the package complies with applicable labeling require-
27 ments under s. Ag 151.07.

1 (3) GRADING STANDARD ADJUSTMENTS. The secretary, in consul-
2 tation with the marketing agreement council, may adjust the appli-
3 cable grading standards for potatoes under the marketing agree-
4 ment. Applicable grading standards may not be adjusted unless the
5 department determines that at least 50 percent of the affected
6 handlers who assented to the agreement assent to the proposed
7 adjustment. An adjustment in applicable grading standards may
8 become effective only on July 1 of any year. All affected han-
9 dlers shall be notified in writing of the adjusted standards at
10 least 60 days before the adjusted standards are scheduled to take
11 effect. Applicable standards shall at all times meet or exceed
12 the minimum standards set forth under s. Ag 151.06.

13 Ag 151.06 WISCONSIN GRADE, MINIMUM STANDARDS. (1) GRADE
14 REQUIREMENTS. (a) Fresh use potatoes. 1. Wisconsin grade
15 potatoes for fresh use shall consist of potatoes which are:

16 a. Similar in varietal characteristics in that the potatoes
17 in any lot have the same general shape, color and character of
18 skin, and color of flesh.

19 b. Firm in that the potato is not shriveled or flabby.

20 c. Fairly clean in that at least 90 percent of the potatoes
21 in any lot are reasonably free from dirt or staining and not more
22 than a slight amount of loose dirt or foreign matter is present in
23 the container.

24 d. Fairly well shaped in that the potato is not materially
25 pointed, dumbbell-shaped or otherwise materially deformed.

26 e. Washed.

27 f. Slightly skinned, in that not more than 10 percent of the

1 potatoes in the lot have more than 25 percent of the skin missing
2 or feathered.

3 g. Free of frost damage or any evidence of freezing.

4 h. Free of blackheart, late blight, southern bacterial wilt,
5 ring rot, soft rot, and wet breakdown.

6 i. Free from damage or serious damage resulting from exter-
7 nal or internal defects as determined under standard procedures in
8 the joint federal-state inspection agreement.

9 2. In order to allow for variations incident to proper grad-
10 ing and handling, not more than a total of 8 percent by weight of
11 the potatoes in any lot may fail to meet the grade requirements
12 set forth in s. Ag 151.06(1)(a)1.a.b.d.e.g.h. and i., provided
13 that included in this tolerance not more than the listed
14 percentages shall be allowed for the following defects:

15 a. A 5 percent tolerance for external defects;

16 b. A 5 percent tolerance for internal defects;

17 c. A total tolerance of 3 percent for potatoes which are
18 affected by freezing, southern bacterial wilt, ring rot, late
19 blight, soft rot or wet breakdown, except that not more than one
20 percent of the lot may consist of potatoes which are frozen or
21 affected by soft rot or wet breakdown.

22 (b) Seed potatoes. Wisconsin grade for seed potatoes shall
23 consist of the same grade requirements and tolerances for defects
24 as the Badger State Brand specified in s. Ag 26.05, Wis. Adm.
25 Code.

26 (2) SIZE REQUIREMENTS. (a) Fresh use potatoes. Wisconsin
27 grade potatoes for fresh use shall conform to the following

1 applicable size requirements:

2 1. 'Round shape varieties.' Round shape varieties shall
3 have a minimum diameter of 2 inches and a maximum diameter of
4 4 inches. Lots of potatoes shall contain at least 50 percent of
5 potatoes which are 2-1/2 inches in diameter or larger or 6 ounces
6 in weight or larger.

7 2. 'Long varieties.' Long varieties shall have a minimum
8 diameter of 2 inches or minimum weight of 4 ounces. Lots of pota-
9 toes shall contain at least 30 percent of the potatoes which are
10 2-1/2 inches in diameter or larger or 6 ounces in weight or
11 larger.

12 3. 'Potatoes packed in cartons.' a. When size is specified
13 in terms of the customary sizes of potatoes packed to count in
14 standard 50 pound cartons, the potatoes shall meet the weight
15 requirements for each size designation shown in the following
16 table:

17 REQUIREMENTS FOR POTATOES PACKED IN CARTONS

18

Weight requirement

19	20 Size designation	21 Minimum Weight (Ounces)	22 Maximum Weight (Ounces)
23	Under 50	15	
	50	12	19
	60	10	16
24	70	9	15
	80	8	13
25	90	7	12
	100	6	10
26	110	5	9
	120	4	8
27	130	4	8
	140	4	8
	Over 140	4	8

1 b. In any individual carton, the number of potatoes packed
2 to size shall not vary by more than 5 potatoes above or below the
3 size appearing on the carton for a size of 90 or more. The number
4 shall not vary by more than 4 potatoes above or below the size
5 appearing on the carton for a size of 80 or less.

6 4. 'Size tolerances.' In order to allow for variation inci-
7 dent to proper sizing, not more than 3 percent by weight of the
8 potatoes in any lot may be smaller than the required or specified
9 minimum size, except that a tolerance of 5 percent shall be
10 allowed for potatoes packed to meet a minimum diameter requirement
11 of 2-1/4 inches or a minimum weight of 5 ounces. Not more than
12 10 percent by weight of the potatoes in any lot may be larger than
13 the required maximum size. Where individual samples are used to
14 determine whether a specified percentage of potatoes in the lot
15 meet the specified sizes for round and long varieties, as provided
16 in this paragraph, each individual sample shall consist of not
17 less than one-half of the percentage specified, provided that the
18 average size for the entire lot is not less than the percentage
19 specified.

20 (b) Seed potatoes. The size requirement and size tolerances
21 shall be the same as for Badger State Brand specified in
22 s. Ag 26.05, Wis. Adm. Code.

23 (3) APPLICATION OF TOLERANCES. Individual samples shall
24 have not more than double the tolerances specified, except that at
25 least one defective and off-size potato may be permitted in any
26 sample, provided that the averages for the entire lot are within
27 the tolerances specified in this chapter.

1 (4) SAMPLES FOR GRADE AND SIZE DETERMINATION. Individual
2 samples shall consist of at least 20 pounds. When individual
3 packages contain at least 20 pounds, each individual sample shall
4 be drawn from one package. When individual packages contain fewer
5 than 20 pounds, a sufficient number of adjoining packages shall be
6 opened to provide at least a 20-pound sample. The total number of
7 potatoes sampled shall vary with the size of the lot in accordance
8 with procedures under the joint federal-state inspection
9 agreement.

10 (5) SPROUT INHIBITOR. Potatoes for fresh use marketed after
11 January 1 of any year shall be treated with sprout inhibitor.

12 Ag 151.07 WISCONSIN SEAL; LABELING SPECIFICATIONS. The
13 Wisconsin seal of quality shall be applied to packages of potatoes
14 which meet Wisconsin grade standards under this agreement in
15 accordance with the following specifications:

16 (1) SEAL DESIGN. The Wisconsin seal of quality shall con-
17 sist of a simulated "ribbon" award of rectangular shape, in which
18 the vertical dimension is 1-1/2 times longer than the horizontal
19 dimension. The bottom portion of the rectangle shall approximate
20 a 30 degree isosceles triangle with the bases of the rectangle and
21 triangle coinciding. The words "WISCONSIN POTATOES" shall appear
22 across the upper one-third of the seal in large, bold-faced type
23 and be separated from the bottom two-thirds of the seal by a hori-
24 zontal line extending across the seal. An outline typifying a
25 potato with the word "Finest" in italic type superimposed on the
26 outline of the potato shall appear in the lower two-thirds of the
27 seal. All type or lettering shall be easily readable and so

1 spaced and designed as to present a symmetrical appearance within
2 the Wisconsin seal of quality as illustrated in the official model
3 set forth below:



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13 The seal illustrated in the official model shall be used for
14 reproduction of the Wisconsin seal of quality in labeling packages
15 of potatoes which meet the Wisconsin grade. Illustrated positions
16 of any segment of the seal may not be altered. Any color or
17 combination of colors may be used in printing the seal.

18 (2) SEAL OF QUALITY LABELING REQUIREMENTS. (a) Fresh use
19 potatoes. Potatoes which meet Wisconsin grade requirements under
20 this chapter and are intended for fresh use sale shall be labeled
21 with the Wisconsin seal of quality which shall conform to the
22 following dimensional requirements:

23 1. 'Bags or cartons.' The seal of quality on bags or
24 cartons of potatoes may be of any size.

25 2. 'Size and area limitations.' The seal of quality may be
26 used on the top, bottom, front, back or side panels of the pack-
27 age. The area covered by the seal or the combined area of multi-

1 ple seals appearing on a package shall not exceed 20 percent of
2 the total package area. Only one seal may appear on any single
3 panel.

4 (b) Seed potatoes. The Wisconsin seal of quality shall meet
5 the design requirements of sub. (1) and may only be affixed to the
6 official inspection certificates for seed potatoes.

7 (3) PACKAGE LABELING. The Wisconsin seal of quality shall
8 be imprinted without embellishment on packages of potatoes
9 intended for fresh use and may not be applied by adhesives or
10 pressure or heat sensitive devices. No handler may incorporate
11 the Wisconsin seal of quality as the principal part of a private
12 label or brand. Packages bearing the Wisconsin seal shall iden-
13 tify the commodity as potatoes meeting Wisconsin grade and include
14 the name and business address of the affected handler. It is the
15 responsibility of each affected handler to ensure that the
16 packaging requirements of this agreement are met.

17 Ag 151.08 INSPECTION AND CERTIFICATION. (1) GENERAL.

18 Potatoes may not be sold in packages labeled with the Wisconsin
19 seal of quality and identified as potatoes meeting Wisconsin
20 grade, unless they have been officially inspected by the depart-
21 ment and official certificates have been issued showing the pota-
22 toes conform to the standards and requirements specified in the
23 agreement, including grade standards, labeling requirements and
24 inspection and certification requirements.

25 (2) INSPECTION. Inspection of potatoes under this agreement
26 shall be made by the department under the U.S.D.A.-Wisconsin joint
27 federal-state inspection agreement. All lots of potatoes shall be

1 inspected at the point of loading or shipment. Inspection of
2 potatoes shall be made according to standard procedures under the
3 joint federal-state agreement.

4 (3) REQUEST FOR INSPECTION. Affected handlers intending to
5 package potatoes in packages labeled with the Wisconsin seal of
6 quality shall request the department to provide inspection
7 services under this agreement. Priority for inspection services
8 shall be given first to affected handlers who are under shipping
9 point contractual arrangements of the joint federal-state agree-
10 ment, and then to other affected handlers in the order in which
11 requests for inspection services are received.

12 (4) ISSUANCE OF CERTIFICATES. Official certificates shall
13 be issued by department inspectors, and be based on a determina-
14 tion that the lot of potatoes under inspection meets the standards
15 and requirements specified in the agreement. Potatoes certified
16 as Wisconsin grade shall be loaded for shipment within 24 hours
17 after inspection and issuance of the certificate or within
18 48 hours if the 24-hour period ends on a Saturday, Sunday or legal
19 holiday. Potatoes not loaded within 24 hours shall be reinspected
20 for compliance with Wisconsin grade standards, unless the 48 hours
21 rule applies. Affected handlers shall keep copies of certificates
22 issued by the department for a period of 2 years after the date of
23 issuance. In the issuance of inspection certificates, the depart-
24 ment makes no express or implied warranties as to the disease-free
25 status of the potatoes, but certifies only that at the time of
26 inspection the sample potatoes in each lot conformed to the
27 quality standards and requirements of this marketing agreement.

1 (5) CERTIFICATE CONTENTS. The certificate issued by the
2 department after inspecting each lot shall contain the following:

- 3 a. Name and address of affected handler;
4 b. Volume of potatoes in the inspected lot;
5 c. Date on which the certificate was issued;
6 d. Brand or trade name found on the packages of potatoes;
7 e. A statement indicating the potatoes meet the standards
8 of this agreement;
9 f. License number of truck-trailer or identification number
10 of the railroad car on which potatoes are shipped.

11 (6) SHIPMENTS. Shipments of potatoes under the agreement
12 shall be accompanied by a copy of the official certificate cover-
13 ing the inspected lot and shall be attached to bills of lading or
14 other shipping documents.

15 (7) FAILURE TO MEET STANDARDS. (a) The department may
16 issue a holding order, pursuant to s. 97.12(2), Stats., to prevent
17 the shipment of potatoes which are labeled with the Wisconsin seal
18 of quality, but which violate any standards of the marketing
19 agreement and are misbranded under s. 97.03, Stats. The holding
20 order shall prohibit the shipment or sale of the lot of potatoes
21 identified in the order until the violation has been cured to the
22 satisfaction of the department. The holding order shall specify
23 the nature of the violation; whether the violation may be cor-
24 rected; and, if the violation cannot be corrected, the manner in
25 which the potatoes may be disposed. Potatoes subject to a holding
26 order shall not be sold or shipped for any purpose, except as
27 authorized by the department.

1 (b) An affected handler receiving a holding order shall:

2 1. Correct the violation to the satisfaction of the
3 department, if possible;

4 2. Re-sort and repackage the potatoes so as to comply with
5 the marketing agreement standards; or

6 3. Dispose of the potatoes in any manner authorized by the
7 department.

8 (c) An affected handler after receiving a holding order
9 shall have 7 days from the date of issue to certify in writing and
10 document to the department the manner in which the violation has
11 been corrected, or in which the disposal of the affected potatoes
12 has been carried out. Failure of the handler to provide certifi-
13 cation and documentation within the time specified constitutes a
14 violation of the agreement.

15 Ag 151.09 ADMINISTRATION. (1) SECRETARY. The department
16 shall provide services for the administration of the marketing
17 agreement, including:

18 (a) Establishing a market agreement council to assist in the
19 administration of this agreement.

20 (b) Determining a fee schedule and procedures for collecting
21 and depositing fees due.

22 (c) Providing for inspection services.

23 (d) Determining compliance with the agreement.

24 (e) Enforcing provisions of the agreement, subject to the
25 discretion of the secretary.

26 Ag 151.10 MARKETING AGREEMENT COUNCIL. (1) MEMBERSHIP. A
27 marketing agreement council consisting of 7 persons appointed by

1 the secretary is established to assist in the administration of
2 the agreement. Composition of the council shall be 5 affected
3 handlers, one board member of and named by the Potato Industry
4 Board, and one member of the board of directors of and named by
5 the Wisconsin Potato and Vegetable Growers Association.

6 (2) TERM OF OFFICE. The term of office of the 5 affected
7 handler members shall be for staggered 3 year terms. The initial
8 term of office shall commence with the effective date of this
9 agreement and end on the date corresponding with the end of the
10 marketing year. The initial terms of the affected handler members
11 shall be 3 years for 2 members, 2 years for one member, and one
12 year for 2 members. Terms of office for council members from the
13 Potato Industry Board and the Wisconsin Potato and Vegetable
14 Growers Association shall be for one year. Council members
15 appointed as affected handlers may not serve more than one consec-
16 utive 3-year term, and council members appointed from the Potato
17 Industry Board and the Wisconsin Potato and Vegetable Growers
18 Association may not serve more than 3 full terms in succession.
19 All members shall serve until their successors have been
20 appointed.

21 (3) DUTIES. The duties of the marketing agreement council
22 shall include the following:

23 (a) Recommend to the secretary administrative rules relating
24 to this agreement.

25 (b) Receive and report to the secretary complaints of
26 violations of this agreement.

27 (c) Recommend to the secretary amendments to this

1 agreement.

2 (d) Advise the secretary in the collection of such informa-
3 tion and data as the secretary deems necessary for the proper
4 administration of the agreement.

5 (e) Recommend to the secretary methods by which
6 administrative costs of the marketing agreement can be recovered.

7 Ag 151.11 FEES. (1) GENERAL. Each year the secretary
8 shall, in consultation with the marketing agreement council,
9 establish a schedule of fees and provide for the collection of
10 fees to compensate the department for all expenses incurred in
11 administering the agreement. Fees shall be limited to amounts
12 necessary to cover costs of administrative services, including
13 inspection services provided for under the agreement, and an
14 adequate level of reserves. The secretary may use a fee schedule
15 consisting of fixed and variable components in order to ensure
16 recovery of the costs of administration. The secretary shall
17 notify affected handlers of the schedule of fees to be in effect
18 for the next year at least 60 days prior to the beginning of the
19 marketing year.

20 (2) INITIAL YEAR FEES. For the first marketing year in
21 which the marketing agreement is effective, each affected handler
22 shall be liable to pay the fee of 1/2 cent (\$0.005) per hundred-
23 weight on all potatoes inspected for the standards of the agree-
24 ment. This fee shall be in addition to the inspection fee estab-
25 lished by the department under the joint federal-state inspection
26 agreement. Fees shall be due at the time of inspection and pay-
27 able according to the terms of the joint federal-state inspection

1 agreement. In subsequent years, each affected handler shall be
2 liable to pay the established fee in the manner prescribed by the
3 secretary.

4 (3) FIXED FEES. If the secretary establishes a fixed com-
5 ponent of the fee, that component may be due and payable in full
6 or in installments at the dates determined by the secretary, pro-
7 vided that the notice required in sub. (1) has been given to
8 affected handlers. Fees due shall be determined on the basis of
9 certificates of inspection.

10 (4) ACCOUNTING. The secretary shall provide to each
11 affected handler within 90 days after the end of each marketing
12 year, an itemized accounting of all expenses incurred by the
13 department in administering the agreement.

14 Ag 151.12 RECORDS AND REPORTS. Each affected handler shall
15 maintain accurate records and accounts of all potatoes sold in
16 commercial channels. Records shall include, but may not be lim-
17 ited to, names and addresses of buyers to whom potatoes were sold,
18 quantities of potatoes sold, inspected, and certified to meet Wis-
19 consin grade, and copies of certificates issued by the department.
20 Each affected handler shall maintain and submit reports to the
21 secretary as the secretary may require as often as necessary to
22 ensure compliance with this agreement and the proper collection of
23 fees.

24 Ag 151.13 AUDITS. The department may audit records of
25 affected handlers or their agents and producers as necessary to
26 determine compliance with this agreement. Audits may be conducted
27 by the department on a routine basis or in response to or on the

1 basis of complaints.

2 Ag 151.14 PROHIBITED ACTS. (1) MISBRANDING. No affected
3 handler may sell, nor any other person may sell, offer for sale,
4 have in possession with intent to sell, advertise, label, or
5 otherwise represent potatoes in packages labeled with the Wis-
6 consin seal of quality which are not officially inspected by the
7 department and certified to meet the standards of this agreement.

8 (2) APPLICATION OF SEAL. No person may identify packages of
9 potatoes as meeting Wisconsin grade without also applying the
10 Wisconsin seal of quality.

11 (3) NONRESIDENT SALES. Nonresident handlers may not place
12 potatoes in packages labeled with the Wisconsin seal of quality or
13 Wisconsin grade.

14 (4) IMPROPER USE OF SEAL. No person may incorporate the
15 Wisconsin seal of quality or the Wisconsin grade as the principal
16 part of any private label or brand.

17 (5) ALTERATION OF SEAL. No person may mark, scratch,
18 deface, or otherwise attempt to obliterate the Wisconsin seal of
19 quality on any package or container of potatoes.

20 (6) MISREPRESENTATION. No person may engage in any act or
21 practice or make any representation in selling potatoes which has
22 the tendency or capacity to mislead any purchaser or consumer with
23 respect to potatoes meeting Wisconsin grade requirements, or
24 packages of potatoes bearing the Wisconsin seal of quality.

25 Ag 151.15 ENFORCEMENT. (1) COMPLIANCE. (a) The secretary
26 shall monitor the payment of fees collected from affected handlers
27 and compliance with and enforcement of the agreement.

1 (b) For the purpose of enforcing the agreement, the depart-
2 ment and its agents shall have access at reasonable hours to any
3 packing shed, warehouse or establishment in which potatoes are
4 held for sale, or to enter any vehicles being used to transport or
5 hold potatoes, in order to inspect packages of potatoes affected
6 by this agreement.

7 (2) VIOLATIONS. Any person who violates a provision of this
8 marketing agreement is subject to the penalties in s. 96.17,
9 Stats.

10 SECTION 2. The rules contained in this order shall take
11 effect upon assent by not less than 50 percent of affected han-
12 dlers, as provided in s. 96.08(2)(a), Stats., and on the first day
13 of the month following publication in the Wisconsin administrative
14 register, as provided in s. 227.026(1) (intro.), Stats.

15 Dated: Sept 13, 7, 1984

16 STATE OF WISCONSIN
17 DEPARTMENT OF AGRICULTURE, TRADE
18 AND CONSUMER PROTECTION

19 By Robert F Thayer
20 Robert F. Thayer, Administrator
MARKETING DIVISION

21 WH/T3/21/SP/D23
22 9/12/84-15
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