

# STATE OF NEW YORK

6130

2025-2026 Regular Sessions

## IN ASSEMBLY

February 26, 2025

Introduced by M. of A. LEMONDES -- read once and referred to the Committee on Agriculture

AN ACT to amend the agriculture and markets law and the cooperative corporations law, in relation to establishing a farmers' bill of rights

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. The agriculture and markets law is amended by adding two  
2 new sections 256-c and 256-d to read as follows:

3 § 256-c. Farmers' bill of rights; declaration of policy. The  
4 expressed intent of the agriculture and markets law and the policy of  
5 this state is to foster and encourage the marketing of farm products  
6 through producer owned and controlled cooperatives. The orderly market-  
7 ing of farm products for the benefit of farmers, distributors, and  
8 consumers is enhanced when farmers are free to make an independent unco-  
9 erced decision regarding their participation in cooperative associ-  
10 ations, as authorized by state and federal law. Interference in the  
11 exercise of this free right of choice is contrary to the public inter-  
12 est. For this reason, the legislature finds that the public interest  
13 requires that there be a specification of prohibited unfair trade prac-  
14 tices which have the purpose of intentionally impairing a farmer's free-  
15 dom to bargain collectively with other farmers in the marketing of the  
16 farmer's product.

17 For purposes of this section, (i) an "association of farmers" or  
18 "cooperative" shall mean any corporation or association of persons  
19 engaged in the production of farm products and operating for the mutual  
20 benefit of its members in conformity with the requirement of the  
21 Capper-Volstead act, and any federation of such corporations or associ-  
22 ations, or of such corporations, associations, and individual farmers,  
23 and (ii) an association of farmers shall not be considered to be a  
24 distributor.

EXPLANATION--Matter in italics (underscored) is new; matter in brackets  
[-] is old law to be omitted.

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1 § 256-d. Unfair practices by dealers. 1. It shall be unlawful for any  
2 distributor or any of its officers, managers, agents, or employees to  
3 intentionally impair a farmer's freedom to join or to participate in an  
4 association of farmers or cooperative by:

5 (a) coercing, through threat of injury to person or property, or to  
6 health, safety, business or financial condition, reputation or personal  
7 relationships any farmer in the exercise of the farmer's right to join  
8 and belong to an association of farmers or cooperative;

9 (b) soliciting or requesting any producer to breach a marketing agree-  
10 ment or other contractual agreement between the producer and an associ-  
11 ation of farmers or cooperative;

12 (c) making a loan or gift of money, or of anything else of value, or  
13 offering to make such a loan or gift for the specific purpose of induc-  
14 ing a farmer to refuse or cease to belong to an association of farmers  
15 or cooperative;

16 (d) refusing to deal with any farmer, because of the exercise of the  
17 farmer's right to join and belong to an association of farmers or coop-  
18 erative;

19 (e) making false reports about the finances or management of an asso-  
20 ciation of farmers or other dealers in reckless disregard of the truth  
21 or knowing that such statements are untrue and that there is a reason-  
22 able likelihood that such statements will impair a farmer's right to  
23 make an independent decision to belong to an association of farmers or  
24 cooperative; and

25 (f) conspiring, combining, agreeing, or arranging with any other  
26 person to do, or aid and abet the doing of, any act made unlawful by  
27 this section.

28 2. For purposes of this section: (a) an "association of farmers" or  
29 "cooperative" shall mean any corporation or association of persons  
30 engaged in the production of farm products and operating for the mutual  
31 benefit of its members in conformity with the requirements of the  
32 Capper-Volstead act, and any federation of such corporations or associ-  
33 ations, or of such corporations, associations, and individual producers,  
34 and (b) an association of farmers shall not be considered to be a  
35 distributor.

36 3. Nothing in this section is intended to prevent bargaining between  
37 distributors and farmers or associations of farmers with respect to  
38 price or any other terms of purchase or handling of farm products in a  
39 course of dealing not proscribed by this section, nor to prevent farmers  
40 from requiring that payment be made through an association of farmers or  
41 cooperative.

42 4. Whenever the commissioner has reason to believe a violation of this  
43 section has occurred, the commissioner may commence such judicial  
44 action, or institute such investigation or proceeding and issue an order  
45 based thereon, as is provided by this article or article three of this  
46 chapter; provided, however, that the commissioner shall take no action  
47 against a distributor under section two hundred fifty-eight-c of this  
48 article for conduct which is a violation of this section unless such  
49 distributor is at the time of such conduct subject to a final adminis-  
50 trative or judicial order which prohibits such conduct by such distribu-  
51 tor; and provided further that nothing contained in this section shall  
52 impair or delay the private right of action created by section seventy-  
53 four of the cooperative corporations law for any violation of that  
54 section.

55 § 2. Section 74 of the cooperative corporations law is amended to read  
56 as follows:

1 § 74. Liability for damages for encouraging or permitting delivery of  
2 products in violation of marketing agreements. Any person, firm or  
3 corporation who solicits or persuades or aids or abets any member of any  
4 cooperative corporation incorporated under or subject to this chapter to  
5 breach [~~his~~] such member's marketing contract with the corporation by  
6 accepting or receiving such member's products for sale, marketing, manu-  
7 facturing or processing thereof contrary to the terms of any marketing  
8 agreement of which said person or any officer [~~or~~], manager, agent or  
9 employee of the said corporation has knowledge or notice, shall be  
10 liable in the penal sum of [~~one hundred~~] not more than ten thousand  
11 dollars for each contract, to the cooperative corporation aggrieved in a  
12 civil suit for damages; and such cooperative corporation shall be enti-  
13 tled to an injunction against such person, firm or corporation to  
14 prevent further breaches.  
15 § 3. This act shall take effect immediately.