

WHOLESALE POTATO DEALERS (EXCERPT)
Act 158 of 1964

290.461a Examination of records; inquiries; seizing assets of licensee; hearing; order; appeal; action against seized assets; distribution to claimants; return of remaining assets to licensee; action for recovery of money.

Sec. 11a.

(1) The director may periodically examine the records of a wholesale potato dealer. The director may examine the records of a wholesale potato dealer against whom a complaint alleging nonpayment has been made or whose license has been suspended and may inquire of other growers who have sold potatoes to the wholesale potato dealer within the past 6 months as to the payment for their potatoes. Inquiries may be made by the director by regular mail. Based on the results of the examination of records or of information obtained from inquiries, the director has standing to utilize any appropriate legal action in order to seize and protect in the name of the state and on behalf of the claimants the assets of the licensee. The director may order and conduct a hearing to determine the allowance of claims against the wholesale potato dealer, giving the party complained of notice of the filing of the complaint and the time and place of the hearing. At the conclusion of the hearing, the director shall report findings, render conclusions, and issue an order upon the matter complained of to the complainant and the respondent in each case, who shall have 15 calendar days following the date of issuance of the order in which to comply.

(2) A wholesale potato dealer aggrieved by the decision of the director may appeal from the decision within 10 calendar days after the issuance of the order by leave to the circuit court of the county where the wholesale potato dealer resides. The wholesale potato dealer shall notify the director in writing if he or she files an appeal. If the wholesale potato dealer does not comply with the order within 15 days after its issuance, the director shall demand payment from the surety or draw upon the irrevocable letter of credit in an amount necessary to satisfy the claims determined to be due. If the amount of the surety bond or irrevocable letter of credit is insufficient to satisfy the allowed claims, the director may bring action against the seized assets of the wholesale potato dealer to further satisfy the amount of the claims. If less than the total amount of the claims is obtained, distribution shall be made pro rata to the claimants.

(3) Upon full settlement of allowed claims from the bond, payment of a sight draft by the issuer of the irrevocable letter of credit, or liquidation of the assets of the wholesale potato dealer, the director shall return any remaining assets to the wholesale potato dealer.

(4) The director may bring an action in a court of competent jurisdiction against the wholesale potato dealer, his or her assets, or the surety on the bond or may take any appropriate action against the issuer of the irrevocable letter of credit for recovery of money due and owing to a grower or growers as provided in this act.

History: Add. 1968, Act 63, Eff. May 31, 1968 ;-- Am. 1978, Act 4, Imd. Eff. Feb. 7, 1978 ;-- Am. 1992, Act 171, Eff. Oct. 20, 1992