

ACT 200

S. B. NO. 874

A Bill for an Act Relating to Agricultural Cooperative Associations and Amending Chapter 421, Hawaii Revised Statutes.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 421-18, HRS, is hereby amended by adding a new subsection (e) thereto, to read as follows:

“(e) Effect of other statutes upon contracts. The provisions of this chap-

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ter are intended to encourage and to authorize associations to effectively produce and market agricultural products, and to derive the maximum benefits possible from such cooperative production and marketing. Accordingly, the contracts between an association and its members shall be deemed to authorize the collective production and marketing of the members' products, including but not limited to the combining, pooling and blending of production quotas, marketing adjustments and distribution rights, the provisions of any other law to the contrary notwithstanding. This section shall be liberally construed in favor of associations and their contracts with their members."

SECTION 2. This Act shall take effect upon its approval.

(Approved July 14, 1969.)