

**CHAPTER 51-02-04**  
**TERMINATION OF DAIRY FARMER PURCHASING AGREEMENTS**

Section	
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**51-02-04-01. No termination except for just cause.**

No processor shall terminate the processor's contract or selling agreement with any dairy farmer, whether express or implied, and no dairy farmer shall terminate the dairy farmer's contract or purchasing agreement with any processor, whether express or implied, except for just cause.

**General Authority:** NDCC 4.1-26, 4.1-26-06

**Law Implemented:** NDCC 4.1-26-06

**51-02-04-02. Private agreement.**

Private negotiation and agreement between the parties involved regarding termination of dairy farmer contracts and purchasing agreements shall be encouraged wherever possible, and any mutual agreement arrived at by the parties shall be accepted by the milk stabilization board to determine facts, mediate, or decide whether or not a proposed termination is for just cause by use of the procedure provided in sections 51-02-04-03 and 51-02-04-04.

**General Authority:** NDCC 4.1-26, 4.1-26-06

**Law Implemented:** NDCC 4.1-26-06

**51-02-04-03. Petition for factfinding.**

Any dairy farmer or processor who is aggrieved by a proposed termination of a dairy farmer contract or purchasing agreement, whether express or implied, may petition the executive secretary to conduct an investigation of the matter. Upon completion of the investigation, the executive secretary shall make and submit the executive secretary's findings and recommendations to the parties involved and encourage further negotiations toward a private agreement between the parties.

**General Authority:** NDCC 4.1-26, 4.1-26-06

**Law Implemented:** NDCC 4.1-26-06

**51-02-04-04. Public hearing.**

In the event the parties involved are unable to agree within fifteen days after the executive secretary submits the executive secretary's findings, the milk stabilization board shall notice a public hearing for the parties involved to appear and present evidence. The board shall hear the evidence, decide whether or not the proposed termination is for just cause, and issue appropriate orders regarding the matter.

**General Authority:** NDCC 4.1-26, 4.1-26-06

**Law Implemented:** NDCC 4.1-26-06

**51-02-04-05. Interpretation.**

If any portion of this chapter is held invalid or unconstitutional, such holding shall not affect the validity of the chapter as a whole, or of any part thereof which can be given effect without the part so held to be unconstitutional or invalid.

**General Authority:** NDCC 4.1-26, 4.1-26-06

**Law Implemented:** NDCC 4.1-26-06