

and in subsec. (e) substituted “subsection (d)” for “subsection (e)”.

1976—Subsecs. (d) to (f). Pub. L. 94-410 added subsecs. (d) to (f).

1963—Subsec. (c). Pub. L. 88-61 added subsec. (c).

1958—Pub. L. 85-909 designated existing provisions as subsec. (a) and added subsec. (b).

#### REGULATIONS

Pub. L. 110-234, title XI, § 11006, May 22, 2008, 122 Stat. 1358, and Pub. L. 110-246, § 4(a), title XI, § 11006, June 18, 2008, 122 Stat. 1664, 2120, provided that: “As soon as practicable, but not later than 2 years after the date of the enactment of this Act [June 18, 2008], the Secretary of Agriculture shall promulgate regulations with respect to the Packers and Stockyards Act, 1921 (7 U.S.C. 181 et seq.) to establish criteria that the Secretary will consider in determining—

“(1) whether an undue or unreasonable preference or advantage has occurred in violation of such Act;

“(2) whether a live poultry dealer has provided reasonable notice to poultry growers of any suspension of the delivery of birds under a poultry growing arrangement;

“(3) when a requirement of additional capital investments over the life of a poultry growing arrangement or swine production contract constitutes a violation of such Act; and

“(4) if a live poultry dealer or swine contractor has provided a reasonable period of time for a poultry grower or a swine production contract grower to remedy a breach of contract that could lead to termination of the poultry growing arrangement or swine production contract.”

[Pub. L. 110-234 and Pub. L. 110-246 enacted identical provisions. Pub. L. 110-234 was repealed by section 4(a) of Pub. L. 110-246, set out as a note under section 8701 of this title.]

#### § 228a. Authority of Secretary to request temporary injunction or restraining order

Whenever the Secretary has reason to believe that any person subject to this chapter (a) with respect to any transactions subject to this chapter, has failed to pay or is unable to pay for livestock, meats, meat food products, or livestock products in unmanufactured form, or live poultry, or has failed to pay any poultry grower what is due on account of poultry obtained under a poultry growing arrangement, or has failed to remit to the person entitled thereto the net proceeds from the sale of any such commodity sold on a commission basis; or (b) has operated while insolvent, or otherwise in violation of this chapter in a manner which may reasonably be expected to cause irreparable damage to another person; or (c) does not have the required bond; and that it would be in the public interest to enjoin such person from operating subject to this chapter or enjoin him from operating subject to this chapter except under such conditions as would protect vendors or consignors of such commodities or other affected persons, until a complaint under this chapter is issued and dismissed by the Secretary or until an order to cease and desist made thereon by the Secretary has become final and effective within the meaning of this chapter or is set aside on appellate review of the Secretary's order, the Secretary may notify the Attorney General, who may apply to the United States district court for the district in which such person has his principal place of business or in which he resides for a temporary injunction or restraining order. When needed to effectuate the purposes of this

section, the court shall, upon a proper showing, issue a temporary injunction or restraining order, without bond. Attorneys employed by the Secretary of Agriculture may, with the approval of the Attorney General, appear in the United States district court representing the Secretary in any action seeking such a temporary restraining order or injunction.

(Aug. 15, 1921, ch. 64, title IV, § 408, as added Pub. L. 94-410, § 5, Sept. 13, 1976, 90 Stat. 1250; amended Pub. L. 100-173, § 8, Nov. 23, 1987, 101 Stat. 919.)

#### CODIFICATION

A prior section 228a, act Sept. 21, 1944, ch. 412, title I, § 101(c), 58 Stat. 734, which related to inspections of livestock, hides, animal products, etc., was transferred to section 396 of this title.

#### PRIOR PROVISIONS

A prior section 408 of act Aug. 15, 1921, was renumbered section 417 and is classified to section 229c of this title.

#### AMENDMENTS

1987—Pub. L. 100-173 inserted “or live poultry, or has failed to pay any poultry grower what is due on account of poultry obtained under a poultry growing arrangement,” after “unmanufactured form,”.

#### EFFECTIVE DATE OF 1987 AMENDMENT

Amendment by Pub. L. 100-173 effective 90 days after Nov. 23, 1987, see section 12 of Pub. L. 100-173, set out as a note under section 182 of this title.

#### § 228b. Prompt payment for purchase of livestock

##### (a) Full amount of purchase price required; methods of payment

Each packer, market agency, or dealer purchasing livestock shall, before the close of the next business day following the purchase of livestock and transfer of possession thereof, deliver to the seller or his duly authorized representative the full amount of the purchase price: *Provided*, That each packer, market agency, or dealer purchasing livestock for slaughter shall, before the close of the next business day following purchase of livestock and transfer of possession thereof, actually deliver at the point of transfer of possession to the seller or his duly authorized representative a check or shall transfer funds for the full amount of the purchase price to the account of the seller by wire, electronic funds transfer, or any other expeditious method determined appropriate by the Secretary for the full amount of the purchase price; or, in the case of a purchase on a carcass or “grade and yield” basis, the purchaser shall make payment by check at the point of transfer of possession or shall transfer funds for the full amount of the purchase price to the account of the seller by wire, electronic funds transfer, or any other expeditious method determined appropriate by the Secretary for the full amount of the purchase price not later than the close of the first business day following determination of the purchase price: *Provided further*, That if the seller or his duly authorized representative is not present to receive payment at the point of transfer of possession, as herein provided, the packer, market agency or dealer shall transfer funds for the full amount of the purchase price by wire, elec-

tronic funds transfer, or any other expeditious method determined appropriate by the Secretary or place a check in the United States mail for the full amount of the purchase price, properly addressed to the seller, within the time limits specified in this subsection, such action being deemed compliance with the requirement for prompt payment.

**(b) Waiver of prompt payment by written agreement; disclosure requirements**

Notwithstanding the provisions of subsection (a) of this section and subject to such terms and conditions as the Secretary may prescribe, the parties to the purchase and sale of livestock may expressly agree in writing, before such purchase or sale, to effect payment in a manner other than that required in subsection (a). Any such agreement shall be disclosed in the records of any market agency or dealer selling the livestock, and in the purchaser's records and on the accounts or other documents issued by the purchaser relating to the transaction.

**(c) Delay in payment or attempt to delay deemed unfair practice**

Any delay or attempt to delay by a market agency, dealer, or packer purchasing livestock, the collection of funds as herein provided, or otherwise for the purpose of or resulting in extending the normal period of payment for such livestock shall be considered an "unfair practice" in violation of this chapter. Nothing in this section shall be deemed to limit the meaning of the term "unfair practice" as used in this chapter.

(Aug. 15, 1921, ch. 64, title IV, § 409, as added Pub. L. 94-410, § 7, Sept. 13, 1976, 90 Stat. 1250; amended Pub. L. 114-237, § 3, Oct. 7, 2016, 130 Stat. 970.)

AMENDMENTS

2016—Subsec. (a). Pub. L. 114-237, § 3, substituted "shall transfer funds for the full amount of the purchase price to the account of the seller by wire, electronic funds transfer, or any other expeditious method determined appropriate by the Secretary" for "shall wire transfer funds to the seller's account" in two places in first proviso and "or dealer shall transfer funds for the full amount of the purchase price by wire, electronic funds transfer, or any other expeditious method determined appropriate by the Secretary" for "or dealer shall wire transfer funds" in second proviso.

**§ 228b-1. Final date for making payment to cash seller or poultry grower**

**(a) Delivery of full amount due**

Each live poultry dealer obtaining live poultry by purchase in a cash sale shall, before the close of the next business day following the purchase of poultry, and each live poultry dealer obtaining live poultry under a poultry growing arrangement shall, before the close of the fifteenth day following the week in which the poultry is slaughtered, deliver, to the cash seller or poultry grower from whom such live poultry dealer obtains the poultry, the full amount due to such cash seller or poultry grower on account of such poultry.

**(b) Delay or attempt to delay collection of funds as "unfair practice"**

Any delay or attempt to delay, by a live poultry dealer which is a party to any such trans-

action, the collection of funds as herein provided, or otherwise for the purpose of or resulting in extending the normal period of payment for poultry obtained by poultry growing arrangement or purchased in a cash sale, shall be considered an "unfair practice" in violation of this chapter. Nothing in this section shall be deemed to limit the meaning of the term "unfair practice" as used in this chapter.

**(c) Definition of cash sale**

For the purpose of this section, a cash sale means a sale in which the seller does not expressly extend credit to the buyer.

(Aug. 15, 1921, ch. 64, title IV, § 410, as added Pub. L. 100-173, § 9(2), Nov. 23, 1987, 101 Stat. 920.)

PRIOR PROVISIONS

A prior section 410 of act Aug. 15, 1921, was renumbered section 414 and is classified to section 228c of this title.

EFFECTIVE DATE

Section effective 90 days after Nov. 23, 1987, see section 12 of Pub. L. 100-173, set out as an Effective Date of 1987 Amendment note under section 182 of this title.

**§ 228b-2. Violations by live poultry dealers**

**(a) Written complaint by Secretary; hearing; intervention; amended complaint**

Whenever the Secretary has reason to believe that any live poultry dealer has violated or is violating any provision of section 197 of this title or section 228b-1 of this title, he shall cause a complaint in writing to be served upon the live poultry dealer, stating his charges in that respect, and requiring the live poultry dealer to attend and testify at a hearing at a time and place designated therein, at least 30 days after the service of such complaint; and at such time and place there shall be afforded the live poultry dealer a reasonable opportunity to be informed as to the evidence introduced against him (including the right of cross-examination), and to be heard in person or by counsel and through witnesses, under such regulations as the Secretary may prescribe. Any person for good cause shown may, on application, be allowed by the Secretary to intervene in such proceeding, and appear in person or by counsel. At any time prior to the close of the hearing, the Secretary may amend the complaint; but in case of any amendment adding new charges, the hearing shall, on the request of the live poultry dealer, be adjourned for a period not exceeding 15 days.

**(b) Report on findings of fact by Secretary; cease and desist order; assessment of civil penalty; action by Attorney General upon live poultry dealer's failure to pay penalty**

If, after such hearing, the Secretary finds that the live poultry dealer has violated, or is violating, any provisions of section 197 of this title or section 228b-1 of this title covered by the charges, he shall make a report in writing in which he shall state his findings as to the facts, and shall issue and cause to be served on the live poultry dealer an order requiring such live poultry dealer to cease and desist from continuing such violation. The testimony taken at the hearing shall be reduced to writing and filed in