

PACA

PERISHABLE AGRICULTURAL COMMODITIES ACT

The Perishable Agricultural Commodities Act is designed to encourage fair trading practices in the marketing of fresh and frozen fruits and vegetables in interstate and foreign commerce. It prohibits unfair and fraudulent practices and provides a means of enforcing contracts. Under PACA, anyone buying or selling commercial quantities of fruit and vegetables must be licensed.

ACCOUNTINGS TO GROWERS

Under PACA, selling agents (your sales agency or warehouse) must provide growers with prompt, accurate, and detailed accountings. Unless the parties contract for other terms, interim accountings are due within 30 days from the agent's receipt of the first shipment of produce for sale. Thereafter, agents must provide growers with accountings every 10 days. The final accounting is due within 30 days from the date that the agent receives the last shipment for the season. Agents are not expected to guarantee returns, and are not required to pay the grower until they have received payment from the buyer. However, if the agent guarantees payment or is negligent in extending credit, the agent may be held liable for payment to the grower. Agents must, therefore, put the grower's interests first when they sell the grower's produce.

WHEN DISPUTES ARISE

What should you do if you question whether an agent has handled your crop properly or has paid you the correct amount due? If you believe your sales agent has not met its responsibilities, you should speak to a PACA specialist. If necessary, you may file a claim against the agent with the PACA Branch. When the PACA Branch receives your claim, they will gather all of the relevant information from both parties involved and offer their assistance in resolving the matter.

PACA INTERNET TRAINING PROGRAM

PACA offers a free Internet training program that covers the basic information you need to know to operate within PACA. After reviewing the course material, you'll take on-line tests that are scored automatically so you'll get immediate feedback. To begin training click on the link to the PACA home page and then click on [PACA Internet Training Program](#).

<http://www.ams.usda.gov/fv/paca.htm>

Contact PACA at (888) 639-0575 for more information.