

OPINION
58-51

March 7, 1958 (OPINION)

COOPERATIVE ASSOCIATIONS

RE: Distribution of Net Proceeds - Who Votes

Your letter of March 4, 1958, has been received in this office. In your letter you request our opinion of the interpretation of subsection 2(a) of section 10-1533 of the 1957 Supplement to the N.D.R.C of 1943. This subsection reads as follows:

"The remainder of the total proceeds are net proceeds and shall be distributed and paid as follows:

- a. An amount not to exceed five percent thereof may be set aside as an educational fund to be used in teaching or promoting cooperative organization or principles when approved by a majority of the members voting at any annual meeting. Such funds shall for all purposes except the computation of net proceeds be deemed an expense of operation of the cooperative. Such funds shall not be used in any political activity. Such educational funds shall not be paid to any other cooperative, mutual aid corporation or other general farm organization unless such cooperative, mutual aid corporation or general farm organization receiving such funds provides in its by-laws or articles that officers and directors shall be elected by secret ballot and that only bona fide farmers and ranchers are eligible to vote for such position."

Your specific question relates to the definition of the term "bona fide farmers" as the term appears toward the end of the subsection following the clause "only bona fide farmers and ranchers are eligible to vote for such position."

It is difficult to project any definition in the absence of facts. Words in statutes are to be understood in their ordinary common sense meaning.

It is the opinion of this office that a bona fide farmer is one who in good faith devotes his full time and energies to the cultivation of the farm, or in case of a rancher to the operation of a ranch.

It is the opinion of this office that a wife living on a farm, assisting her husband by carrying out her household duties and raising children, is a bona fide farmer. It is also our opinion that a sixteen year old daughter who helps around the house on the farm, and who does not have any other employment except going to school, is a bona fide farmer. We believe that in almost any fact situation you could suggest whether a person is a bona fide farmer or rancher can be determined by looking at the dictionary and applying sound common sense.

LESLIE R. BURGUM

Attorney General