MAINE STATE LEGISLATURE

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| 2 3 4 5 | STATE OF MAINE HOUSE OF REPRESENTATIVES (Filing No. H-601) 110TH LEGISLATURE SECOND REGULAR SESSION |
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| 6 7 8 | COMMITTEE AMENDMENT "A" to H.P. 1726, L.D. 1711, Bill, "AN ACT to Protect Maine Milk Producers from Abrupt Loss of Markets." |
| 9 10 11 | Amend the Bill in section 2 by striking out all of that part designated " $\S2903$ -A." and inserting in its place the following: |
| 12 | S2903-A. Refusal to purchase |
| 13 14 15 16 17 18 19 20 | 1. Notice of refusal. A milk dealer who has a verbal or written contract with a milk producer for the purchase of milk shall not refuse to continue to purchase milk under the contract without first giving notice to the producer in accordance with this section. The dealer shall give written notice of intent to refuse to purchase to the producer and to the commissioner. The notice shall state the date upon which the refusal will become effective. |
| 21 22 23 24 | A. Except as provided in paragraph B, the refusal shall not become effective until 30 days following the milk dealer's notice of intent to refuse to purchase milk from the producer. |
| 25 26 27 28 29 30 31 32 33 34 35 36 37 | B. If a milk dealer's refusal to continue to purchase milk is based on failure of the producer's milk to meet the milk dealer's quality criteria or the Interstate Milk Shipments Conference Standards, whichever is applicable, the refusal may become effective on less than 30 days' notice. Upon issuance of notice of intent to refuse purchase because of failure to meet the criteria or standards, the dealer shall cause a sample of the refused milk to be taken immediately and transferred to the commissioner for testing in the state central laboratory. Upon receipt of the test results that the sample does not meet the milk dealer's quality criteria or the Interstate Milk Shipments Con- |
| 38 | ference Standards, whichever is applicable, refusal to |

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continue to purchase shall become effective immediately. Notice shall be given to the producer by the dealer immediately upon his receipt of the test results. The state central laboratory shall mail the results of the test to the milk dealer and milk producer.

2. Challenge of refusal; adjudicatory hearing. If the producer or dealer desires to question the refusal to purchase or the test given under paragraph B, he may do so within 10 days after receipt of the notice from the dealer of the test results by requesting, in writing, that the commissioner conduct an adjudicatory hearing pursuant to the Maine Administrative Procedure Act, Title 5, chapter 375. If a request for hearing is made by the milk dealer, refusal to purchase shall not become effective until the hearing is held and a decision upholding the dealer's refusal has been issued by the commissioner. The decision of the commissioner as to the reasonableness of the dealer's refusal to purchase shall be considered final agency action for purposes of the Maine Administrative Procedure Act.

STATEMENT OF FACT

This amendment requires 30 days' advance notice instead of 45 days' notice as originally proposed, before a licensed milk dealer in the State may discontinue purchase of milk from a Maine producer, unless refusal to purchase is based on failure to meet the milk dealer's quality criteria or the Interstate Milk Shipments Conference Standards.

This amendment also clearly stipulates that a challenge of refusal to purchase can only be posed when questions exist regarding the quality determinations made in the loss of the producer's milk market.

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Reported by the Committee on Agriculture. Reproduced and distributed under the direction of the Clerk of the House.

2/19/82 (Filing No. H-601)