

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)



121st MAINE LEGISLATURE

SECOND SPECIAL SESSION-2004

Legislative Document

No. 1852

H.P. 1378

House of Representatives, February 12, 2004

An Act To Extend the Dairy Stabilization Subsidy Through May 31, 2004

(EMERGENCY)

Reference to the Committee on Agriculture, Conservation and Forestry suggested and ordered printed.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Speaker COLWELL of Gardiner. (GOVERNOR'S BILL)
Cosponsored by Senator BRYANT of Oxford and
Representatives: DUPLESSIE of Westbrook, RICHARDSON of Brunswick, Senators:
President DAGGETT of Kennebec, DAVIS of Piscataquis, GAGNON of Kennebec, TREAT
of Kennebec, WOODCOCK of Franklin.

2 **Emergency preamble. Whereas,** Acts of the Legislature do not
become effective until 90 days after adjournment unless enacted
as emergencies; and

4 **Whereas,** serious financial harm will occur to dairy farmers
6 due to rapidly declining prices for their milk before the 90 days
have passed; and

8 **Whereas,** a delay in providing these payments could cause
10 irreparable harm to the dairy industry and result in the loss of
additional dairy farms and agriculture-related businesses, which
12 will have significant adverse effects on the economy of rural and
inland Maine, jeopardize maintenance of valuable open space and
14 compound existing problems of sprawl; and

16 **Whereas,** this legislation will provide temporary financial
assistance for dairy farmers while the Legislature deliberates on
18 a proposal to provide a long-term response to inadequate and
unpredictable milk prices; and

20 **Whereas,** in the judgment of the Legislature, these facts
22 create an emergency within the meaning of the Constitution of
Maine and require the following legislation as immediately
24 necessary for the preservation of the public peace, health and
safety; now, therefore,

26 **Be it enacted by the People of the State of Maine as follows:**

28 **Sec. 1. 7 MRSA §3153-A,** as enacted by PL 2003, c. 120, §2, is
30 amended to read:

32 **§3153-A. Dairy stabilization subsidy**

34 If the base price of milk falls below \$16.94 per
hundredweight in any month beginning September 1, 2003 and ending
36 ~~December 31, 2003~~ May 31, 2004, the administrator of the Maine
Milk Pool shall distribute to Maine milk producers on a per
38 hundredweight basis ~~55%~~ 40% for the months of January to May 2004
of the difference between \$16.94 per hundredweight and the base
40 price of milk per hundredweight. The amount distributed for milk
produced during the period between ~~September 1, 2003 and December~~
42 ~~31, 2003~~ January 1, 2004 and May 31, 2004 may not exceed
~~\$3,000,000~~ \$2,100,000. The Governor shall provide these funds to
44 the Maine milk pool administrator for distribution to Maine milk
producers, as provided for in this section, during the months of
46 October 2003 to ~~January~~ June 2004. The base price of milk is the
Suffolk County, Massachusetts Class I price of milk as determined
48 for each month by the Northeast Market Administrator of the
United States Department of Agriculture. ~~The Governor shall seek~~

~~a-General-Fund-appropriation-during-the-Second-Regular-Session-of
the-121st-Legislature-if-needed-for-the-purposes-of-this-section.~~

Sec. 2. PL 2003, c. 513, Pt. C, §1 is repealed.

Emergency clause. In view of the emergency cited in the preamble, this Act takes effect when approved.

SUMMARY

The recently enacted budget bill, Public Law 2003, chapter 513, included language extending the dairy stabilization subsidy program. This bill removes the dairy stabilization subsidy from the recently enacted budget and enacts it as separate, emergency legislation in order for the financial assistance to be made available immediately. The purpose of this bill is to prevent serious financial harm to Maine dairy farmers while the Legislature considers a proposal from the Governor for a long-term response to inadequate and unpredictable milk prices.