

ONE HUNDRED AND THIRD LEGISLATURE

Legislative Document

No. 1607

H. P. 1131 Reported by a Majority of the Committee on Agriculture. Printed under Joint Rules No. 18.

BERTHA W. JOHNSON, Clerk

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED SIXTY-SEVEN

AN ACT to Create a State-wide Milk Marketing and Producer Pool.

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

Sec. 1. R. S., T. 7, § 2951, sub-§ 4-A, additional. Section 2951 of Title 7 of the Revised Statutes is amended by adding a new subsection 4-A, to read as follows:

4-A. Handler. "Handler" means any person engaged in the handling of milk in his capacity as the operator of a fluid milk plant which processes milk in Class 1 or Class 2 uses and who purchases such milk from a producer or from another handler.

Sec. 2. R. S., T. 7, § 2951, sub-§ 7-A, additional. Section 2951 of Title 7 of the Revised Statutes is amended by adding a new subsection 7-A, to read as follows:

7-A. Pooling. "Pooling" means the arrangement for combining the payments made for milk at different class prices based on usage, and averageing them so that each producer participating in the pool receives payment on the same basis.

Sec. 3. R. S., T. 7, § 2953-B, additional. Title 7 of the Revised Statutes is amended by adding a new section 2953-B, to read as follows:

§ 2953-B. State-wide marketing and producer pool

It is the policy of the State of Maine to provide the necessary assistance and authority to maintain a stable market, to sustain the economy of the dairy industry and the economic welfare of the State and to assure an adequate and healthful supply of milk and milk products for the consuming public. No provision of this section shall apply or be construed to apply to interstate commerce except to the extent that the Constitution and the laws of the United States permit it to apply to interstate commerce.

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The commission shall establish a system of pooling of all milk produced in this state, regardless of its present market, excepting therefrom milk produced by producer-dealers which is not sold to dealers or handlers and which consititutes at least 95% of said producer-dealers' total sales, and that milk, purchased from a producer within the State for Class 2 utilization which is in excess of 15% of the dealer or handler's total purchase of Class 1 milk from producers within the State. Such system shall establish equal returns for milk whereby all producers selling milk to dealers or handlers, and all producer-dealers not excepted as stated in this section, selling milk to dealers or handlers will receive the same price for milk utilized as Class 1 or Class 2. Milk, sold on the Maine market, but purchased from sources outside the State, excepting that milk purchased as Class 1 milk from the Boston Federal order, shall not have a class 1 utilization rate higher than the average utilization rate for milk produced in Maine for sale on the Maine market. Dealer or handler receiving such milk shall pay the hundredweight fees specified in section 2956.

In providing for such pooling and equalization, the commission shall determine amounts to be withheld from producers by a dealer or handler and paid to the commission of not more than 2c per hundredweight for administering the pool.

Failure of any dealer or handler to withhold out of amounts due or to become due to a producer at the time a dealer or handler is notified by the department of the amounts to be withheld and upon failure of such dealer or handler to pay such amounts, the commission may revoke or suspend the license of the dealer or handler under the procedures provided in this chapter.

All dealers and handlers in this State shall report purchases and sales of all milk to the commission on forms prescribed by the commission. Such reports shall be filed monthly, not later than the 15th day of the month following the reported month for all purchases and sales by dealers or handlers in the previous calendar month or part thereof. Final payment of all sums due producers shall be made no later than 30 days from the end of the calendar month in which delivery was made. On the basis of the information provided in such reports and other material considerations set forth in this section, the commission shall establish and announce a blend price for milk to be paid producers based on the average use and price of milk in the several markets, collect the payments due the pool by those markets whose average blend price is higher than the price established by the commission and disburse the equalization payments to those producers whose milk is sold on markets whose blend price is less than the price established by the commission.

Sec. 4 R. S., T. 7, § 2954, amended. The 4th paragraph from the end of section 2954 of Title 7 of the Revised Statutes, as repealed and replaced by chapter 245 of the public laws of 1965, is amended by adding after the first sentence, a new sentence, as follows:

The preceding sentence shall apply to handlers.

Sec. 5. R. S., T. 7, § 2955, amended. The first sentence of section 2955 of Title 7 of the Revised Statutes is amended to read as follows:

No dealer **or handler** shall buy milk from producers or others for sale or shall process, distribute, sell or offer to sell milk in any market in the State designated by the commission unless duly licensed by the commission.

Sec. 6. R. S., T. 7, § 2956, amended. The first sentence of section 2956 of Title 7 of the Revised Statutes is amended to read as follows:

All dealers **and handlers** in any market designated by the commission shall keep the following records :