

# MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

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ONE HUNDRED AND NINTH LEGISLATURE

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**Legislative Document**

**No. 254**

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H. P. 206 House of Representatives, February 1, 1979  
Referred to the Committee on Agriculture. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Mr. Torrey of Poland.  
Cosponsor: Mr. Sherburne of Dexter.

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STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED  
SEVENTY-NINE

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**AN ACT to Amend the Law Relating to the Maine Milk Tax Committee.**

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

Sec. 1. 36 MRSA § 4502, sub-§§ 5-10, are enacted to read:

5. Dealer. "Dealer" means any person who purchases or receives milk for sale as the consignee or agent of a producer, or handles milk for sale, shipment, storage or processing within the State, but shall not include a store.

6. Class I milk. "Class I milk" means:

A. All fluid milk sold, distributed or disposed of as or in milk which contains not more than 11% butterfat and skim milk and cultured buttermilk sold for human consumption; and

B. All milk products sold, distributed or disposed of for human consumption as or in flavored milk and flavored skim milk.

7. Board. "Board" means the Maine Dairy Promotion Board.

8. Records. "Records" means books, records, accounts, memoranda or other data pertaining to the purchase and distribution of milk.

9. **Store.** "Store" means a grocery store, dairy products store, canteen, milk vending machine operator, milk dispensing operator or any similar commercial establishment or outlet or any other sale where milk is sold to consumers for consumption off the premises where sold.

10. **Consumer.** "Consumer" means any person other than a milk dealer who purchases milk for fluid consumption.

Sec. 2. 36 MRSA § 4503 is repealed and the following enacted in its place:

**§ 4503. Maine Dairy Promotion Board**

There is hereby established the "Maine Dairy Promotion Board" consisting of the following 5 members: The Commissioner of Agriculture and 4 producers, who shall be appointed by the Commissioner of Agriculture on recommendation of the various producer associations, individuals or unorganized groups of producers in the State. Each appointed member shall serve for 2 years or until his successor is duly appointed and qualified. In case of a vacancy caused by death, resignation or otherwise, the vacancy shall be filled by the commissioner for the unexpired period of the term. The appointed members shall be allowed actual traveling and other necessary expenses incurred in the performance of their duties and each member shall receive a per diem compensation for the time actually spent in the performance of his duties. This compensation shall be determined by the Governor. The members of the board shall elect a chairman and may employ a director and such clerks and assistants as they may deem necessary and may prescribe their duties and fix their compensation, subject to the Personnel Law.

Sec. 3. 36 MRSA § 4505, as last amended by PL 1969, c. 213, § 1, is repealed and the following enacted in its place:

**§ 4505. Tax**

A tax is levied and imposed on all certified handlers or dealers at the rate of .8 of 1% of the average Class I price per hundredweight, rounded to the nearest 10th of 1¢, paid to Maine milk producers by Maine milk handlers for milk of 3.5% butterfat content during the previous calendar year on all milk produced, purchased or imported for sale within this State, except that no tax shall be imposed upon the milk consumed on the farm where produced. The average Class I milk price shall be determined by the State Tax Assessor from records furnished by the Department of Agriculture.

Sec. 4. 36 MRSA § 4506, as amended by PL 1969, c. 213, § 2, is repealed and the following enacted in its place:

**§ 4506. Handler or dealer may deduct tax from purchase price**

Each handler or dealer purchasing milk and paying, or becoming liable to pay, the tax imposed by section 4505 may charge and collect the tax from the producer.

**In case the same milk is handled by more than one dealer, the first dealer within the State dealing in or handling the milk shall be deemed to be the milk dealer within the meaning of this section. For the purpose of computing fees as provided, ½ pint of cream shall be considered the equivalent of one quart of milk.**

**Producer-dealers shall pay the tax imposed by section 4505 on all milk produced, purchased or imported for sale within the State.**

**Sec. 5. 36 MRSA § 4509, 3rd sentence, as last amended by PL 1969, c. 213, § 3, is repealed and the following enacted in its place:**

**On the filing of the report, each handler shall pay to the State Tax Assessor a tax at the rate imposed by section 4505 upon all milk so reported.**

**Sec. 6. 36 MRSA § 4511, sub-§ 3, as enacted by PL 1971, c. 594, § 18, is repealed.**

**Sec. 7. 36 MRSA § 4511, last ¶, is amended to read:**

The ~~committee~~ **board** may cooperate with similar committees in other states and is authorized to pay to a New England committee such part of its receipts as it deems for the best interests of the dairy industry in Maine.

**Sec. 8. Effective date.** This Act shall take effect 90 days after adjournment of the first regular session of the 109th Legislature, except that section 3, which repeales and replaces Title 36, section 4505, shall take effect on the first day of the months following the effective date of this Act and the existing tax shall continue in effect until then.

#### STATEMENT OF FACT

The intent of this legislation is to change the name of the Maine Milk Tax Committee to the Maine Dairy Promotion Board to more adequately describe its functions, to clarify certain responsibilities of the board and to allow dairymen to promote the sale of dairy products at the percentage level of funding equal to that which was in effect when this law was last amended in 1969.