

MAINE STATE LEGISLATURE

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1 SECOND REGULAR SESSION
2

3 ONE HUNDRED AND TWELFTH LEGISLATURE
4

5 Legislative Document

No. 2215

6
7 S.P. 878

In Senate, March 17, 1986

8 Submitted by the Department of Agriculture, Food and Rural Resources
9 pursuant to Joint Rule 24.

10 Referred to the Committee on Agriculture and ordered printed. Sent
down for concurrence.

JOY J. O'BRIEN, Secretary of the Senate

Presented by Senator Emerson of Penobscot.

Cosponsored by Representative Brannigan of Portland and Representative
Masterman of Milo.

11
12 STATE OF MAINE
13

14 IN THE YEAR OF OUR LORD
15 NINETEEN HUNDRED AND EIGHTY-SIX
16

17 AN ACT Limiting the Agricultural Cooperative
18 Producer-dealer Exemption from the
19 Maine Milk Pool.
20

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

23 7 MRSA §3152, sub-§10, as enacted by PL 1983, c.
24 573, §4, is amended to read:

25 10. Producer-dealer. "Producer-dealer" means a
26 dealer who himself produces a part or all of his
27 milk or a person who produces milk and sells to a
28 grocery store or dairy products store or similar com-
29 mercial establishment, and shall include an agricul-
30 tural cooperative comprised solely of dairy farmers
31 that wholly owns and operates its processing facili-
32 ties, and whose individual members hold a share of
33 that ownership which is in direct proportion to that
34 individual's share of all milk produced by coopera-
35 tive members for the cooperative, provided that such
36 an agricultural cooperative shall be a

1 producer-dealer under this chapter only if it was in
2 existence on January 1, 1986, and had been recognized
3 on or before that date by the commissioner as meeting
4 the criteria established in this subsection.

5 STATEMENT OF FACT

6 In establishing the Maine Milk Pool in 1983, the
7 Legislature provided what was intended to be a limited
8 exemption from the Maine Milk Pool for
9 then-existing agricultural cooperatives which met
10 certain criteria. The Milk Study Panel which studied
11 regulatory options for the marketing of milk in Maine
12 warned that the exemption threatened the fairness and
13 equity of the Maine Milk Pool and recommended that
14 the exemption be tightened up or eliminated so that
15 the Maine Milk Pool continues to serve all Maine pro-
16 ducers fairly. This bill permits those agricultural
17 cooperative producer-dealers which are now exempt to
18 retain their exempt status. It provides that there
19 will be no more exemptions in the future.

20 There are presently 3 exempt agricultural cooper-
21 ative producer-dealers. The extent of the exemption
22 of one those organizations, that is, the milk to
23 which the exemption applies, is not resolved in this
24 bill but is left to be resolved in litigation which
25 is presently in court.

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