

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)



119th MAINE LEGISLATURE

FIRST REGULAR SESSION-1999

Legislative Document

No. 1335

S.P. 460

In Senate, February 16, 1999

**An Act to Simplify the Collection of Fees for the Maine Dairy
Promotion Board and Maine Dairy Nutrition Council.**

(EMERGENCY)

Submitted by the Department of Agriculture, Food and Rural Resources pursuant to Joint Rule 204.

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

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator KILKELLY of Lincoln.
Cosponsored by Representative GREEN of Monmouth and
Senator MILLS of Somerset, Representatives: CAMERON of Rumford, COWGER of
Hallowell, KNEELAND of Easton.

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

4
6 Whereas, the collection and distribution of dairy promotion
funds are critical to the success of the dairy industry; and

8 Whereas, the existing statutory method of collection results
in significant delays and inefficiencies in the distribution of
10 money for dairy promotion; and

12 Whereas, the structure of the dairy industry in Maine makes
the current collection and distribution system obsolete; and

14
16 Whereas, in the judgment of the Legislature, these facts
create an emergency within the meaning of the Constitution of
Maine and require the following legislation as immediately
18 necessary for the preservation of the public peace, health and
safety; now, therefore,

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

22 **Sec. 1. 7 MRSA §2956, 3rd ¶ from the end,** as amended by PL
24 1995, c. 693, §5 and affected by §25, is further amended to read:

26 Each licensed dealer shall pay to the commission an annual
license fee of \$1 and the sum of ~~6-1/2¢~~ 5¢ per hundredweight as
28 monthly payments, based on quantity of milk purchased or produced
in any market area, or purchased or produced in an uncontrolled
30 area and sold in any market area. Two and one-half cents per
hundredweight may be deducted by dealers from amounts paid by
32 them to producers of such milk, except that the milk
farm-processed into cream for the manufacture of butter is not
34 subject to such sums of ~~6-1/2¢~~ 5¢ per hundredweight. ~~Of the~~
~~amount paid by each dealer, 1-1/2¢ per hundredweight must be paid~~
~~by the commission to the Maine Dairy and Nutrition Council for~~
~~the purposes authorized by section 2999. The commission shall~~
36 ~~make payments to the Maine Dairy and Nutrition Council on a~~
~~monthly basis.~~

40 **Sec. 2. 7 MRSA §2991, sub-§§4 and 7,** as enacted by PL 1991, c.
42 376, §28, are amended to read:

44 **4. Dealer.** "Dealer" means any person who purchases or
receives milk for sale as the consignee or agent of a producer ~~or~~
46 and who handles that milk for sale, shipment, storage ~~or~~
processing or sale within the State. "Dealer" ~~includes a~~
48 ~~producer-dealer-or-a-store.~~

2 **7. Producer dealer.** "Producer dealer" means any a dealer
3 who produces a part or all of that dealer's milk ~~and-sells-milk~~
4 ~~to-either-than-a-dealer-or-a-person-who-produces-milk-and-sells-to~~
5 ~~a-grocery-store,-dairy-products-store-or-similar-commercial~~
6 ~~establishment.~~

7 **Sec. 3. 7 MRSA §2993, sub-§4,** as enacted by PL 1991, c. 376,
8 §28, is amended to read:

9 **4. Annual report.** Shall prepare an annual report that must
10 include a summary of all receipts and expenditures, including
11 expenditures for specific promotional or research programs; a
12 description of the various promotional or research programs
13 operated, contracted or sponsored by the board; and a directory
14 of current board members, including their affiliation and term of
15 office; and

16 **Sec. 4. 7 MRSA §2993, sub-§5,** as amended by PL 1995, c. 693,
17 §9 and affected by §25, is further amended to read:

18 **5. Funding.** May receive and expend funds from any source,
19 public or private, that it determines necessary to carry out its
20 purposes; and

21 **Sec. 5. 7 MRSA §2993-A** is enacted to read:

22 **§2993-A. Collection of fees.**

23 A dealer as defined in section 2991 shall withhold from each
24 Maine milk producer a fee of 10¢ per hundredweight on all milk
25 produced and shall forward that payment to the board no later
26 than the last day of the month following the month in which the
27 milk was produced.

28 All producer dealers shall pay to the board a fee of 10¢ per
29 hundredweight on all milk produced by the producer dealer no
30 later than the last day of the month following the month in which
31 the milk was produced.

32 **Sec. 6. 7 MRSA §2997, sub-§1,** as enacted by PL 1991, c. 376,
33 §28, is amended to read:

34 **1. Dealer.** "Dealer" means any person who purchases or
35 receives milk for sale as the consignee or agent of a producer ~~or~~
36 ~~and who handles that milk for sale, shipment, storage or,~~
37 ~~processing or sale within the State. "Dealer"---includes---a~~
38 ~~producer-dealer,-a-subdealer-or-a-store.~~

39 **Sec. 7. 7 MRSA §2999, sub-§4,** as enacted by PL 1993, c. 689,
40 §5, is amended to read:

2 **4. Annual report.** Shall prepare an annual report that must
4 include a summary of all receipts and expenditures, including
6 expenditures for specific programs; a description of the various
8 programs operated, contracted or sponsored by the council; and a
10 directory of current council members, including their affiliation
12 and term of office; and

14 **Sec. 8. 7 MRSA §2999, sub-§5,** as enacted by PL 1995, c. 693,
16 §16 and affected by §25, is amended to read:

18 **5. Funding.** May receive and expend funds from any source,
20 public or private, that it determines necessary to carry out its
22 purposes; and

24 **Sec. 9. 7 MRSA §2999-A** is enacted to read:

26 **§2999-A. Collection of fees.**

28 A dealer as defined in section 2997 shall pay a fee of 1
30 1/2¢ per hundredweight based on quantity of milk purchased from
32 Maine producers or purchased from producers outside of the State
34 and sold within the State and shall forward that payment to the
36 council no later than the last day of the month following the
38 month in which the milk was sold.

40 All producer dealers shall pay to the council a fee of 1
42 1/2¢ per hundredweight on all milk sold by the producer dealer no
44 later than the last day of the month following the month in which
46 the milk was produced.

48 **Sec. 10. 7 MRSA §3152-A, sub-§2,** as enacted by PL 1985, c.
646, §3, is repealed.

Sec. 11. 7 MRSA 3153, sub-§1, as corrected by RR 1997, c. 2,
§32, is amended to read:

1. Establishment. Within 180 days after September 23,
1983, the commissioner shall adopt rules establishing a fund to
be known as the "Maine Milk Pool," to which all money collected
from Maine dealers pursuant to ~~subsections~~ subsection 2 and--3
must be credited. These funds must be redistributed to eligible
Maine market producers, eligible northern Maine market producers
and eligible Boston market producers according to procedures
established under subsection 4.

Sec. 12. 7 MRSA §3153, sub-§3, as amended by PL 1995, c. 693,
§18 and affected by §25, is repealed.

2 **Sec. 13. 7 MRSA §3154, sub-§2, ¶B**, as amended by PL 1995, c.
693, §19 and affected by §25, is repealed.

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

8 **SUMMARY**

10 Under federal law, dairy farmers are assessed a fee of 15¢
12 per hundredweight, 10¢ of which dealers have forwarded directly
to the Maine Milk Pool. Those funds are forwarded to the Maine
Dairy Promotion Board and the Maine Dairy Nutrition Council to
14 fund milk promotion and nutrition programs. Currently, the 10¢
fee is withheld by the Maine Milk Commission through the Maine
16 Milk Pool. This bill requires milk dealers to forward the funds
directly to the Maine Dairy Promotion Board and the Maine Dairy
18 Nutrition Council.