

# MAINE STATE LEGISLATURE

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# 119th MAINE LEGISLATURE

## FIRST REGULAR SESSION-1999

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Legislative Document

No. 1474

S.P. 489

In Senate, February 23, 1999

### **An Act to Enhance Equity Under the Maine Milk Pool Laws.**

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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 MILLS of Somerset.

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

**Sec. 1. 7 MRSA §3153, sub-§2, ¶A**, as amended by PL 1989, c. 436, §5, is further amended to read:

A. Effective June 1, 1984, each Maine market dealer shall, on a monthly basis, calculate for its Maine market producers the amount of payment at the adjusted base minimum price that would be payable to its Maine market producers according to the blend price calculated using that dealer's utilization rate, and the amount of payment at the base minimum price that would be due its Maine market producers according to the blend price calculated using the applicable utilization rate for the New England Milk Marketing Order. Each Maine market dealer shall make an initial payment at the base minimum price to its Maine market producers according to the blend price calculated using the Federal Milk Order utilization rate or the Federal Milk Order Zone 1 blend price, whichever is greater, but shall comply in all other respects with chapter 603. Any additional payment at the adjusted base minimum price that would be due its Maine market producers pursuant to that dealer's applicable utilization rate shall must be made to the Maine Milk Pool. Based on the fact that northern Maine market producers presently operate at significantly higher costs because of their remoteness from markets and supplies, that they face greater risks because they operate on a closer margin and because their markets are less secure, payments to the Maine Milk Pool at the adjusted base minimum price attributable to northern Maine market producers shall must be reduced by 1/2 and those producers' initial payments under this section shall must be increased by the corresponding amounts. The commissioner shall adopt by rule such procedures as are necessary to implement this section.

**SUMMARY**

Current law requires each Maine market dealer in milk to make an initial payment to the dealer's Maine market producers according to the blend price calculated using the Federal Milk Order utilization rate. This bill requires each Maine market dealer to make the initial payment according to the blend price calculated using the Federal Milk Order utilization rate or the Federal Milk Order Zone 1 blend price, whichever is greater.