



121st MAINE LEGISLATURE

FIRST REGULAR SESSION-2003

Legislative Document

No. 1270

H.P. 942

House of Representatives, March 11, 2003

An Act To Increase the Viability of the Dairy Farming Industry

Reference to the Committee on Taxation suggested and ordered printed.

Millicent M. Mac Jarland

MILLICENT M. MacFARLAND Clerk

Presented by Representative TWOMEY of Biddeford. Cosponsored by Senator HATCH of Somerset and Representatives: ASH of Belfast, GOODWIN of Pembroke, HATCH of Skowhegan, LUNDEEN of Mars Hill, SAVIELLO of Wilton, SMITH of Monmouth, SMITH of Van Buren, THOMPSON of China.

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

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CONCEPT DRAFT SUMMARY

This bill is a concept draft pursuant to Joint Rule 208.

The purpose of this bill is to address the significant 10 disparity revealed by recent studies, which found that Maine dairy farmers spend significantly more on production costs than 12 those in other Northeastern states.

14 This bill proposes to tax large retail stores and use the proceeds to aid the dairy farming industry. Under this bill, a 16 tax would be imposed on so-called "big box" stores. Funds collected pursuant to the tax would be dedicated to a fund that 18 would be disbursed to dairy farms to cover the true costs of production of milk by the first 44 cows owned by that dairy. 20 This amount would equal \$22.81 per hundred pounds of milk. Under the bill, no disbursements would be made with respect to milk 22 produced after the first 44 cows.