

# MAINE STATE LEGISLATURE

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# 124th MAINE LEGISLATURE

## SECOND REGULAR SESSION-2010

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Legislative Document

No. 1753

H.P. 1247

House of Representatives, January 21, 2010

### **An Act To Adjust the Milk Handling Fee**

(EMERGENCY)

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Reported by Representative PIEH of Bremen for the Joint Standing Committee on Agriculture, Conservation and Forestry pursuant to Public Law 2009, chapter 213, Part TTT, section 9.

*Millicent M. MacFarland*  
MILLICENT M. MacFARLAND  
Clerk

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

3           **Whereas,** revenue from the milk handling fee to the General Fund varies widely  
4 when the price of milk experiences extreme fluctuations; and

5           **Whereas,** establishing a minimum and maximum handling fee may increase the  
6 accuracy of revenue projections; and

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

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

12           **Sec. 1. 36 MRSA §4902, sub-§2-A,** as enacted by PL 2007, c. 240, Pt. PPP, §3  
13 and c. 269, §3, is amended to read:

14           **2-A. Rate.** The rate of the fee levied under this chapter is established for each fee  
15 period on the basis of the basic price of milk in effect on the Sunday following the first  
16 Sunday of the fee period in accordance with this subsection:

17           A. If the basic price is ~~\$24.00~~ \$21.00 per hundredweight and above, the rate of the  
18 milk handling fee is ~~0¢~~ 4¢ per gallon;

19           ~~B. If the basic price is \$23.00 to \$23.99 per hundredweight, the rate of the milk~~  
20 ~~handling fee is 2¢ per gallon;~~

21           ~~C. If the basic price is \$22.00 to \$22.99 per hundredweight, the rate of the milk~~  
22 ~~handling fee is 4¢ per gallon;~~

23           ~~D. If the basic price is \$21.00 to \$21.99 per hundredweight, the rate of the milk~~  
24 ~~handling fee is 6¢ per gallon;~~

25           E. If the basic price is \$20.00 to \$20.99 per hundredweight, the rate of the milk  
26 handling fee is 8¢ per gallon;

27           F. If the basic price is ~~\$19.00~~ \$19.50 to \$19.99 per hundredweight, the rate of the  
28 milk handling fee is ~~10¢~~ 12¢ per gallon;

29           ~~G. If the basic price is \$18.00 to \$18.99 per hundredweight, the rate of the milk~~  
30 ~~handling fee is 12¢ per gallon;~~

31           ~~H. If the basic price is \$17.50~~ \$19.00 to ~~\$17.99~~ \$19.49 per hundredweight, the rate  
32 of the milk handling fee is ~~16¢~~ per gallon;

33           I. If the basic price is ~~\$17.00~~ \$18.50 to ~~\$17.49~~ \$18.99 per hundredweight, the rate of  
34 the milk handling fee is 20¢ per gallon;

35           J. If the basic price is ~~\$16.50~~ \$18.00 to ~~\$16.99~~ \$18.49 per hundredweight, the rate of  
36 the milk handling fee is 24¢ per gallon;

1 K. If the basic price is ~~\$16.00~~ \$17.50 to ~~\$16.49~~ \$17.99 per hundredweight, the rate  
2 of the milk handling fee is 28¢ per gallon;

3 L. If the basic price is ~~\$15.50~~ \$17.00 to ~~\$15.99~~ \$17.49 per hundredweight, the rate of  
4 the milk handling fee is 32¢ per gallon; and

5 M. If the basic price is ~~\$15.00~~ \$16.50 to ~~\$15.49~~ \$16.99 per hundredweight, the rate  
6 of the milk handling fee is 36¢ per gallon.

7 If the basic price falls below ~~\$15.00~~ \$16.50 per hundredweight, for each 50¢ decrease in  
8 the basic price, the rate of the milk handling fee increases by ~~6¢~~ 4¢ per gallon until the  
9 handling fee reaches a maximum of 84¢ per gallon.

10 For any container other than a gallon, the fee is computed on a gallon-equivalent basis.

11 **Emergency clause.** In view of the emergency cited in the preamble, this  
12 legislation takes effect when approved.

13 **SUMMARY**

14 This bill adjusts the milk handling fee, establishing a minimum fee of 4¢ per gallon  
15 and a maximum fee of 84¢ per gallon.

**FISCAL NOTE REQUIRED**  
**(See attached)**



# 124th MAINE LEGISLATURE

LD **1753** LR 2523(01)

## An Act To Adjust the Milk Handling Fee

### Fiscal Note for Original Bill

Committee: Agriculture, Conservation and Forestry

Fiscal Note Required: Yes

### Fiscal Note

	2009-10	2010-11	Projections 2011-12	Projections 2012-13
<b>Net Cost (Savings)</b>				
General Fund	(\$548,446)	(\$776,967)	(\$776,967)	(\$776,967)
<b>Revenue</b>				
General Fund	\$548,446	\$776,967	\$776,967	\$776,967

#### Fiscal Detail and Notes

Adjusting the milk handling fee would result in increased revenues to the Department of Administrative and Financial Services of \$548,446 in fiscal year 2009-10 and \$776,967 in fiscal year 2010-11. This analysis assumes the adjusted fee would be effective with the March 2010 handling fee payment and is based upon the milk pricing forecast in the December 2009 Revenue Forecast.