

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 electronic originals
(may include minor formatting differences from printed original)



125th MAINE LEGISLATURE

SECOND REGULAR SESSION-2012

Legislative Document

No. 1905

H.P. 1409

House of Representatives, April 2, 2012

An Act To Revise the Target Prices for the Dairy Stabilization Program

(EMERGENCY)

Reported by the Majority from the Joint Standing Committee on Agriculture, Conservation and Forestry pursuant to Public Law 2009, chapter 467, section 16.

A handwritten signature in black ink, reading "Heather J.R. Priest".

HEATHER J.R. PRIEST
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,** milk producers are receiving milk payments that are below their short-run
4 break-even costs; and

5 **Whereas,** all sectors of the dairy industry and rural economies are in jeopardy; and

6 **Whereas,** it is in the State's economic interest to maintain a viable dairy industry
7 and in the public interest to have a secure food supply; and

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

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

13 **Sec. 1. 7 MRSA §3153-D,** as amended by PL 2009, c. 467, §5, is further amended
14 to read:

15 **§3153-D. Transfer of revenues**

16 On or before the 18th day of each month, the administrator of the Maine Milk Pool
17 shall ~~certify the amounts~~ subtract the amount in the Maine Milk Pool, Other Special
18 Revenue Funds account that is available for distribution for dairy stabilization support
19 from the total amount to be distributed for the previous month pursuant to section 3153-B
20 and certify this amount to the State Controller, who shall transfer the certified monthly
21 amount when certified from General Fund undedicated revenue to the Maine Milk Pool,
22 Other Special Revenue Funds account.

23 **Sec. 2. PL 2009, c. 467, §9** is repealed.

24 **Sec. 3. Interim target prices.** Beginning July 1, 2012 and until the Maine Milk
25 Commission updates the Maine producer cost-of-production data and adopts new tiers of
26 production and target prices in accordance with the Maine Revised Statutes, Title 7,
27 section 3153-B, subsection 3, the production levels for each tier and the target prices for
28 milk producers in the State are as follows:

29 1. For the first 16,790 hundredweight produced per year by each producer, the target
30 price is \$19.64 per hundredweight;

31 2. For production from 16,791 hundredweight to 49,079 hundredweight per year by
32 each producer, the target price is \$20.36 per hundredweight;

33 3. For production from 49,080 hundredweight to 76,800 hundredweight per year, the
34 target price is \$18.01 per hundredweight; and

1 4. For production in excess of 76,800 hundredweight per year by each producer, the
2 target price is \$17.83 per hundredweight.

3 **Sec. 4. Transfer of funds; Department of Agriculture, Food and Rural**
4 **Resources.** Notwithstanding any other provision of law, on or before May 15, 2012, the
5 State Controller shall transfer \$150,000 from the Milk Commission program, Other
6 Special Revenue Funds account to the Milk Commission program, Maine Milk Pool,
7 Other Special Revenue Funds account within the Department of Agriculture, Food and
8 Rural Resources for the purpose of supporting the dairy stabilization program under the
9 Maine Revised Statutes, Title 7, section 3153-B.

10 **Sec. 5. Transfer of funds; Department of Agriculture, Food and Rural**
11 **Resources.** Notwithstanding any other provision of law, on or before May 15, 2012, the
12 State Controller shall transfer \$200,000 from the Board of Pesticides Control program,
13 Other Special Revenue Funds account to the Milk Commission program, Maine Milk
14 Pool, Other Special Revenue Funds account within the Department of Agriculture, Food
15 and Rural Resources for the purpose of supporting the dairy stabilization program under
16 the Maine Revised Statutes, Title 7, section 3153-B.

17 **Sec. 6. Transfer of funds; Department of Agriculture, Food and Rural**
18 **Resources.** Notwithstanding any other provision of law, on or before May 15, 2012, the
19 State Controller shall transfer \$100,000 from the Beverage Container Enforcement Fund,
20 Other Special Revenue Funds account to the Milk Commission program, Maine Milk
21 Pool, Other Special Revenue Funds account within the Department of Agriculture, Food
22 and Rural Resources for the purpose of supporting the dairy stabilization program under
23 the Maine Revised Statutes, Title 7, section 3153-B.

24 **Sec. 7. Transfer of funds; Department of Agriculture, Food and Rural**
25 **Resources.** Notwithstanding any other provision of law, on or before May 15, 2012, the
26 State Controller shall transfer \$150,000 from the Office of the Commissioner program,
27 Departmentwide Indirect, Other Special Revenue Funds account to the Milk Commission
28 program, Maine Milk Pool, Other Special Revenue Funds account within the Department
29 of Agriculture, Food and Rural Resources for the purpose of supporting the dairy
30 stabilization program under the Maine Revised Statutes, Title 7, section 3153-B.

31 **Sec. 8. Transfer of funds; Department of Agriculture, Food and Rural**
32 **Resources.** Notwithstanding any other provision of law, on or before May 15, 2012, the
33 State Controller shall transfer \$30,000 from the Division of Plant Industry program, Other
34 Special Revenue Funds account to the Milk Commission program, Maine Milk Pool,
35 Other Special Revenue Funds account within the Department of Agriculture, Food and
36 Rural Resources for the purpose of supporting the dairy stabilization program under the
37 Maine Revised Statutes, Title 7, section 3153-B.

38 **Sec. 9. Transfer of funds; Department of Conservation.** Notwithstanding
39 any other provision of law, on or before May 15, 2012, the State Controller shall transfer
40 \$80,000 from the Division of Forest Protection program, Other Special Revenue Funds
41 account within the Department of Conservation to the Milk Commission program, Maine
42 Milk Pool, Other Special Revenue Funds account within the Department of Agriculture,

1 Food and Rural Resources for the purpose of supporting the dairy stabilization program
2 under the Maine Revised Statutes, Title 7, section 3153-B.

3 **Sec. 10. Transfer of funds; Department of Conservation.** Notwithstanding
4 any other provision of law, on or before May 15, 2012, the State Controller shall transfer
5 \$110,000 from the Office of the Commissioner program, Publications Revolving Fund,
6 Other Special Revenue Funds account within the Department of Conservation to the Milk
7 Commission program, Maine Milk Pool, Other Special Revenue Funds account within
8 the Department of Agriculture, Food and Rural Resources for the purpose of supporting
9 the dairy stabilization program under the Maine Revised Statutes, Title 7, section 3153-B.

10 **Sec. 11. Transfer of funds; Department of Conservation.** Notwithstanding
11 any other provision of law, on or before May 15, 2012, the State Controller shall transfer
12 \$10,000 from the Office of the Commissioner program, Other Special Revenue Funds
13 account within the Department of Conservation to the Milk Commission program, Maine
14 Milk Pool, Other Special Revenue Funds account within the Department of Agriculture,
15 Food and Rural Resources for the purpose of supporting the dairy stabilization program
16 under the Maine Revised Statutes, Title 7, section 3153-B.

17 **Sec. 12. Appropriations and allocations.** The following appropriations and
18 allocations are made.

19 **AGRICULTURE, FOOD AND RURAL RESOURCES, DEPARTMENT OF**
20 **Milk Commission 0188**

21 Initiative: Adjusts allocation as a result of updating the target prices used to make payouts
22 through the dairy stabilization program under the Maine Revised Statutes, Title 7, section
23 3153-B.

24

25	OTHER SPECIAL REVENUE FUNDS	2011-12	2012-13
26	All Other	\$0	\$2,382,403
27			
28	OTHER SPECIAL REVENUE FUNDS TOTAL	<hr/> \$0	<hr/> \$2,382,403

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

31 **SUMMARY**

32 This bill is the majority report of the Joint Standing Committee on Agriculture,
33 Conservation and Forestry authorized under Public Law 2009, chapter 467, section 16. It

1 revises the target prices used to calculate dairy stabilization payments under the Maine
2 Revised Statutes, Title 7, section 3153-B. It transfers funds to the Maine Milk Pool, Other
3 Special Revenue Funds account and directs the administrator of the Maine Milk Pool to
4 subtract funds available prior to certifying to the State Controller the amount needed from
5 the General Fund for distribution under the dairy stabilization program under the Maine
6 Revised Statutes, Title 7, section 3153-B.

7 **FISCAL NOTE REQUIRED**

8 **(See attached)**



125th MAINE LEGISLATURE

LD 1905

LR 2865(01)

An Act To Revise the Target Prices for the Dairy Stabilization Program

Fiscal Note for Original Bill
Committee: Agriculture, Conservation and Forestry
Fiscal Note Required: Yes

Fiscal Note

	FY 2011-12	FY 2012-13	Projections FY 2013-14	Projections FY 2014-15
Net Cost (Savings)				
General Fund	\$0	\$1,552,403	\$525,818	\$525,818
Appropriations/Allocations				
Other Special Revenue Funds	\$0	\$2,382,403	\$525,818	\$525,818
Revenue				
General Fund	\$0	(\$1,552,403)	(\$525,818)	(\$525,818)
Other Special Revenue Funds	\$0	\$1,552,403	\$525,818	\$525,818
Transfers				
Other Special Revenue Funds	\$0	\$0	\$0	\$0

Fiscal Detail and Notes

This legislation updates target prices for each tier used to make payouts through the Dairy Stabilization Program. It also transfers \$830,000 from various Other Special Revenue Funds accounts to the Maine Milk Pool Other Special Revenue Funds account which would decrease the General Fund transfer for dairy stabilization payments by that amount in fiscal year 2012-13. It would result in a decrease in General Fund revenue of \$1,552,403 in fiscal year 2012-13 and a corresponding increase in Other Special Revenue Funds revenue to the Department of Agriculture, Food and Rural Resources. The bill includes an Other Special Revenue Funds allocation of \$2,382,403 in fiscal year 2012-13 in order to make increased payouts through the program.