

MAINE STATE LEGISLATURE

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LAWS
OF THE
STATE OF MAINE

AS PASSED BY THE

ONE HUNDRED AND TWELFTH LEGISLATURE

FIRST REGULAR SESSION
December 5, 1984 to June 20, 1985
Chapters 1-384

PUBLISHED BY THE REVISOR OF STATUTES IN ACCORDANCE WITH
MAINE REVISED STATUTES ANNOTATED, TITLE 3, SECTION 163-A,
SUBSECTION 4.

J.S. McCarthy Co., Inc.
Augusta, Maine
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PUBLIC LAWS
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1985

5. Alcohol Awareness Day. Alcohol Awareness Day, the first Monday in December, shall be observed by studying for at least 45 minutes, a constructive approach toward the use of alcohol and the problems and dangers of alcohol abuse upon the individual, the family and society. The commissioner shall prepare appropriate materials for this observance.

Effective September 19, 1985.

CHAPTER 42

H.P. 320 - L.D. 431

AN ACT to Eliminate Volume Determined Delivery Prices of Milk.

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

Whereas, a new pricing order 85-2 promulgated by the Maine Milk Commission will establish different wholesale prices for milk; and

Whereas, the pricing order 85-2 will require rural retail markets and other small retail concerns to pay a higher wholesale price for milk deliveries from the dealer; and

Whereas, the higher wholesale price will force small retail establishments to charge more for milk offered for sale in the stores; and

Whereas, this volume determined pricing schedule is bound to cause economic difficulties for small stores to maintain their clientele and serve their communities; and

Whereas, the Maine Milk Commission formulated the pricing structure for its order 85-2 with the assumption that volume discounting would be in effect; and

Whereas, the Legislature, as a matter of policy, has decided that the Maine Milk Commission minimum prices should be reflective of a single minimum price per unit; and

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 necessary for the preservation of the public peace, health and safety; now, therefore,

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

Sec. 1. 7 MRSA §2954, sub-§10 is enacted to read:

10. Additional considerations in establishing prices. In establishing and changing minimum wholesale and retail prices, in addition to the considerations set out in subsection 2, the commission:

A. Shall consider the effect of possible pricing decisions on the ability of the Maine dairy industry to compete in supplying milk to Maine consumers and, in such consideration, shall include the following factors:

(1) The strength and viability of the Maine dairy industry as a whole;

(2) The extent of any social or economic benefits of maintaining dairy processing plants in different geographic regions or natural marketing areas of the State; and

(3) The encouragement of consumption by Maine consumers of milk produced and processed within the State, consistent with the Constitution of Maine and the United States Constitution; and

B. Shall not set different minimum wholesale prices for different retail delivery volumes of milk.

Sec. 2. 7 MRSA §2954-B is enacted to read:

§2954-B. Study of milk price regulatory options

1. Study commission. The Legislature directs that a study be undertaken as outlined in this section for the purpose of analyzing the situation of the Maine dairy industry under current milk pricing legislation and of analyzing the options for ensuring the long-term stability of the industry. The Commissioner of Agriculture, Food and Rural Resources shall provide for a study of the intent, regulatory approach and economic consequences of various milk

pricing programs in Maine, including the Maine Milk Commission, Maine Milk Pool and the destructive competition laws, and of other potential mechanisms for pricing regulation, including, without limitation, minimum pricing at the producer level only, minimum wholesale pricing that reflects various costs of distribution, prohibiting below-cost pricing, establishing presumptive pricing and elimination of state pricing regulations.

2. Basis for evaluation. The study shall, at a minimum, evaluate existing and alternative pricing mechanisms in terms of their ability to:

A. Stabilize dairy farmer incomes and assure that Maine farmers benefit to the greatest extent possible from the higher proportion of fluid milk processed and sold in Maine;

B. Maintain dairies in Maine which process fluid milk for Maine consumption; and

C. Encourage efficient farm and processor operations which provide consumers high quality, low-cost milk and milk products.

3. Report content. The study's findings and conclusions shall be expressed in a final report which shall discuss the merits of each of the existing and alternative pricing mechanisms reviewed in terms of each of the objectives established in subsection 2, and shall outline the long-term changes in the dairy industry which might reasonably be expected to occur as a result of continuance or establishment of each of these alternatives.

4. Study panel. The study shall be carried out by a panel of recognized experts in the economics of regulation and pricing. This panel shall be named by the Commissioner of Agriculture, Food and Rural Resources after consultation with the joint standing committee of the Legislature having jurisdiction over agriculture and shall be convened no later than May 1, 1985.

5. Select Committee on Milk Pricing. There shall be a Select Committee on Milk Pricing consisting of 10 members to advise the study panel on the design of the study and on the options and policies to be evaluated. The committee shall be composed of 3 members of the House of Representatives, appointed by the Speaker of the House of Representatives, one of whom shall represent each political party; 2 mem-

bers of the Senate, appointed by the President of the Senate, one of whom shall be chosen to represent each political party; and 3 members named by the Governor, one of whom shall be knowledgeable of the dairy processing industry, one of whom shall be knowledgeable of milk retailing and one milk producer who is knowledgeable of marketing systems. The Public Advocate or his designee shall also serve on the committee, representing consumer interests. The Commissioner of Agriculture, Food and Rural Resources shall serve ex officio as chairman of the committee.

6. Panel to meet with select committee. The panel shall meet with the Select Committee on Milk Pricing no later than July 1, 1985, to present to the committee its preliminary study design, including the alternative pricing mechanisms to be evaluated and at other times at the request of the Select Committee on Milk Pricing. The panel shall issue its final report to the Select Committee on Milk Pricing no later than November 1, 1985.

7. Preparation of legislation. After consultation with the Select Committee on Milk Pricing, the commissioner shall prepare legislation based on the report of the panel. The proposed legislation shall be provided to the members of the joint standing committee of the Legislature having jurisdiction over agriculture by December 15, 1985, for their review prior to its submission to the Legislature.

Emergency clause. In view of the emergency cited in the preamble, this Act shall take effect when approved.

Effective March 28, 1985.

CHAPTER 43

H.P. 47 - L.D. 53

AN ACT to Revise the License Suspension
Penalties Relating to Marine
Resources.

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

12 MRSA §6401, sub-§2, as enacted by PL 1977, c. 661, §5, is amended to read: