

FINAL BILL REPORT

SB 6155

C 58 L 92

SYNOPSIS AS ENACTED

Brief Description: Clarifying milk marketing order regulations.

SPONSORS: Senators Bailey, Gaspard, Anderson, Conner, Newhouse and Barr

SENATE COMMITTEE ON AGRICULTURE & WATER RESOURCES

HOUSE COMMITTEE ON AGRICULTURE & RURAL DEVELOPMENT

BACKGROUND:

In 1991 the state milk marketing regulations were amended to authorize the creation of a milk pooling and pricing program for the state.

Questions have been raised regarding the application of the pooling and pricing statute to milk dealers.

SUMMARY:

For purposes of the Milk Pooling and Pricing Act, the definition of milk is limited to milk from cows.

The definition of milk dealer includes only those plants which process milk from cows, receive unprocessed milk from dairy farms, and process the milk into milk or milk products.

Producer-dealers must be notified by the Department of Agriculture at least 60 days prior to a referendum for a market area or pooling plan with quotas. Producer-dealers are authorized to vote as both producers and as dealers in the referendum to establish or terminate a pooling plan. Producer-dealers who choose to vote on a referendum will be fully regulated under the pooling plan. Participating producer-dealers must be granted a quota of not less than their production prior to the establishment of a quota.

Producer-dealers not choosing to vote in a referendum are exempt from the provisions of a pooling plan. Exempt producer-dealers may increase their annual sales of milk in any year by no more than 50 percent of their sales during any of the previous five years, or they will become regulated under the pooling plan. Producer-dealers who begin operation after a milk marketing order is established are subject to regulation under the order.

The Department of Agriculture is authorized to hire an exempt employee to administer the milk pooling program.

VOTES ON FINAL PASSAGE:

Senate	44	0	
House	97	0	(House amended)
Senate			(Senate refused to concur)
House			(House refused to recede)

Conference Committee

House	97	0
Senate	38	8

EFFECTIVE: June 11, 1992