

SENATE BILL REPORT

SB 6155

AS PASSED SENATE, FEBRUARY 14, 1992

Brief Description: Clarifying milk marketing order regulations.

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

SENATE COMMITTEE ON AGRICULTURE & WATER RESOURCES

Majority Report: Do pass.

Signed by Senators Barr, Chairman; Anderson, Vice Chairman; Bailey, Conner, Hansen, and Newhouse.

Staff: John Stuhlmiller (786-7446)

Hearing Dates: January 30, 1992

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 is amended to include only those plants which process milk from cows and which actually process milk within the state.

Appropriation: none

Revenue: none

Fiscal Note: none requested

TESTIMONY FOR:

The bill makes needed technical changes to last year's bill. It clarifies that only cows' milk is covered and only true processors of milk.

TESTIMONY AGAINST: None

TESTIFIED: Dan Coyne, Washington State Dairy Federation

HOUSE AMENDMENT(S):

Producer-dealers must be notified by the department 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 establishment of a quota.

Producer-dealers not choosing to vote in a referendum are exempt from the provisions of a pooling plan. However, such producer-dealers may only produce up to 50 percent more milk than the annual sales of milk for the previous year.

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