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An Act To Adjust the Levels of the State's Dairy Stabilization Program

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

Whereas, the Maine dairy industry is essential to the State's rural economy and communities, generates business activity and preserves open space; and

Whereas, the stabilization of the dairy industry during temporary price drops constitutes a public purpose and an appropriate expenditure of state revenues; and

Whereas, the tiered dairy stabilization program has been successful in curbing the loss of dairy farms in the State; and

Whereas, the target prices in the tiered program need to be revised to reflect updated cost-of-production studies; 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 §3153-B, sub-§3, as amended by PL 2005, c. 382, Pt. F, §34, is further amended to read:

3. Determination of target prices. The Maine Milk Commission shall establish 3 tiers of production, each representing a range of annual production. The commission shall use the most recent studies conducted in accordance with section 2952-A, subsection 3, paragraph A to estimate the short-run break-even point within each tier.

The Maine Milk Commission may establish and amend target prices through rulemaking. Rules adopted pursuant to this subsection are major substantive rules as defined in Title 5, chapter 375, subchapter 2-A.

Sec. 2. Interim target prices. Beginning July 1, 2007 and until the Maine Milk Commission updates the Maine producer cost-of-production data and calculates new target prices in accordance with the Maine Revised Statutes, Title 7, section 3153-B, subsection 3, the target prices for milk producers in the State are as follows:

1. For the first 21,355 hundredweight produced per year by each producer, the target price is \$20.70 per hundredweight;

2. For production from 21,356 hundredweight to 49,079 hundredweight per year, the target price is \$18.07 per hundredweight; and

3. For production in excess of 49,079 hundredweight per year, the target price is \$17.29 per hundredweight.

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

Effective June 8, 2007.